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NEWS SUMMARY

GENERAL

ITV's soccer deal rejected

The Office of Fair Trading has blocked London Weekend Television's bid for exclusive coverage of football games next season.

The OFT said yesterday that the deal was void under the terms of the 1973 Restrictive Trade Practices Act because it had not been registered in time.

London Weekend can now either seek a ruling from the Restrictive Practices Court on whether its agreement with the Football League should be registered, or renegotiate the agreement and provide the OFT with full details in time. Back Page

Iran crisis

Irans new civilian government faced a fresh crisis with the withdrawal of General Fereidoun Jam, who was expected to provide contact with the Shah and the military establishment.

In Paris, the Shah's main religious opponent, Ayatollah Khomeiny, warned that there might be a military coup in Iran. Back and Page 3

Taiwan threat

China said it might use force to reunify Taiwan with the mainland if the island refused indefinitely to negotiate or if Russia tried to interfere. Vice-Premier Deng Xiaoping said that Taiwan could then keep its autonomy and existing social and economic systems.

Belgian Premier

Wilfried Martens, chairman of the Flemish Christian Democrat Party, agreed to form the next Belgian government and become the country's premier.

Recognition offer

Vietnam recognised the People's Revolutionary Council set up in Phnom Penh as the legal government of Kampuchea (Cambodia). Soviet President Leonid Brezhnev promised the new rulers full support. Fighting continues. Page 3

Gulf denial

Gulf Oil denied responsibility for the Bantry Bay tanker explosion in which 50 people died. The cause of the explosion has not yet been established. Page 2

Tanker safe

The 132,000-ton Norwegian supertanker Wilstar has arrived back safely at its loading port of La Skhira, Tunisia, after the discovery five days ago of a crack in the deck.

Tolls setback

An attempt to stop the public inquiry into Government plans to raise Severn Bridge tolls failed yesterday. Welsh county and district councils had called for an estimate of bridge repair costs and completion of a feasibility study of tolls.

Briefly ...

Two Kurdish exiles in Vienna were shot and injured in an apparent attack on the son of a Kurdish nationalist leader.

Masked gunmen attacked a Rome radio station, wounding five people and setting the studio alight. Radio listeners heard the attack.

The two mountaineers who climbed Nelson's Column last October had a charge of criminal damage against them dismissed at Knightsbridge Crown Court.

Denmark's Home Guard has banned all exercises in Copenhagen's embassy district. A guardsman had caused a diplomatic incident by resting on the doorstep of the Yugoslav Embassy.

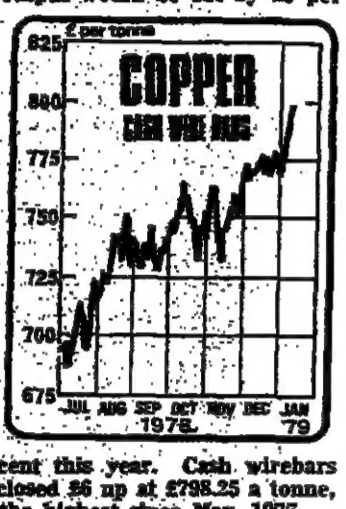
BUSINESS

Equities down 2.2; Copper price up

● EQUITY leaders were dull as the market reacted to the lorry drivers' strike and the threat of a national rail strike. The FT 30-share index was 0.9 up at 10 am but showed a net loss of 2.2 an hour later and closed that much off at 482.2.

● GILTS also started firmly, helped by news that the Government Broker had run out of supplies of the short-medium Exchequer 1985 tap. Shorts showed losses extending to ⅜. The Government Securities Index was 0.03 down at 68.49.

● COPPER prices rose in London on reports that Zambian output would be cut by 13 per cent this year. Cash wirebars closed £6 up at £798.25 a tonne, the highest since May, 1977.



● GOLD fell $1 to $222¼ in London in generally quiet trading.

● STERLING was 65 points down at $2.0190 following a sudden rise by the dollar towards the London close. Trade-weighted depreciation of the dollar narrowed from 9.4 per cent to 9.1 per cent in New York at noon. Sterling's trade-weighted index was unchanged at 62.8.

● WALL STREET near the close was 5.54 up at 833.63.

● MONEY supply remained well under control last month, the underlying level of bank lending increasing modestly in line with the previous month. Back Page; table Page 26

● VOLVO shareholders were advised by the board of Sweden's Shareholders' Association to reject the sale of 40 per cent of the car and truck manufacturer to Norway. Back Page

● DISPUTE between Government and Air Canada likely over moves to force the airline to operate all passenger services from Gatwick instead of Heathrow by the early 1980s. Back Page

● UNCUT diamond sales worldwide last year on behalf of De Beers and other producers advanced by 23 per cent to a record R2.22bn ($2.55bn). Page 26

● BL COMPONENTS is negotiating with a British company and a foreign company in its search for partners for a £24.7m Government-backed aluminium foundry project in Leeds. Page 7

● ALLIED BREWERIES has appointed two leading figures in the UK food industry as non-executive directors. Three months ago Allied acquired the Lyons food group in a £60m deal. Page 7

COMPANIES

● RFD GROUP pre-tax profits slumped from £1.46m to £1.05m for the half-year to September 30, 1978, although turnover was higher at £9.72m (£8.39m). Page 24

● HASLEMERE ESTATES announced a £12.1m one-for-five rights issue. Page 25

● HALMA first-half profits before tax increased 26 per cent to £510,273 (£403,661). Page 24

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Brown and Jackson	224	+ 6
Dawson Intnl.	99	+ 5
Finlay (J.)	101	+ 7
Gough Bros.	56½	+ 6½
Highland Dist.	86	+ 4
Home Charm	246	+ 11
Linfood	141	+ 4½
Muirhead	227	+ 11
Nurdin and Peacock	89	+ 6
Perry (H.)	120	+ 6
Rank Org.	276	+ 8
Restmor	77	+ 3
Rowton Hotels	167	+ 8
Samuel (H.) A	204	+ 6
Samuelson Film	136	+ 16
Sanger (J. E.)	40	+ 3½
Simon Eng.	266	+ 5
Stanley (A. G.)	188	+ 8
Startrite	130	+ 6
Utd. Scientific	286	+ 10
Walker (J.)	125	+ 6
Williams and James	115	+ 7
Sogomana	203	+ 16
Romai Tea	285	+ 30
Charter Cons.	135	+ 5
De Beers Dfd.	405	+ 5
Lydenburg	73	+ 5
Messina	74	+ 12
Palabora	440	+ 20
RTZ	233	+ 6

FALLS

Excheq. 9¼pc '82	£89⅝	− ⅜
Halma Invs.	41	− 3
Haslemere	260	− 8
Lloyds Bank	290	− 5
Negretti & Zambra	78	− 4
Wigfall (H.)	247	− 8
Ultramar	212	− 8
Ashton Mining	73	− 4
Conzinc Riotinto	283	− 7
Northern Mining	68	− 4

Callaghan returns today to face Tory attack over industrial situation

Lorry strike may be made official after peace bid fails

BY NICK GARNETT and PHILIP RAWSTORNE

Road haulage services could face an almost complete shutdown by the end of the week after failure of talks yesterday between employers and union officials.

An official national strike of up to 180,000 private haulage lorry drivers will almost certainly be sanctioned by the Transport and General Workers' Union tomorrow.

Talks between the Road Haulage Association and officials of the union failed to produce any solutions to the dispute.

The association estimated that 50,000 drivers were on unofficial strike yesterday.

The Prime Minister returns from his Caribbean talks today to face a concerted Tory attack on the Government's handling of the industrial situation.

A national haulage strike would virtually strangle all supply lines to industry and farms, already in severe difficulties from the unofficial action.

Mr. Callaghan, who has been kept closely informed of developments in the transport disputes and the looming threat from public service unions, is expected to plunge immediately into a series of consultations with Ministers.

The Cabinet is to review the situation tomorrow after a further meeting yesterday of its general committee under Mr. Merlyn Rees, the Home Secretary.

Economic Ministers intend to pursue attempts to avert a pay confrontation with public service unions at a meeting tomorrow with the TUC's Economic Committee.

A stark reminder of the public service threat came yesterday when the General and Municipal Workers' Union leadership, traditionally Labour's strongest union supporters, decided to put £2m into the strike fund.

Mr. David Basnett, the general secretary, said his public service members could not accept a situation where there was free collective bargaining without sanctions in the private sector but not in the public. There would be "public misery" if the Government did not act.

He and other TUC leaders are urgently looking for some pay comparability formula that would be acceptable to the Government and avert a collision.

Political pressures on the Government increased markedly as the Conservatives, with an eye to the General Election, unleashed a broadside of criti-

Continued on Back Page

BP DRIVERS SAY 'YES'

TANKER drivers at British Petroleum joined those at Shell and Esso yesterday by voting two to one to accept a 15 per cent offer.

Shop stewards for Texaco's 1,100 drivers and ancillary workers, on unofficial strike after rejecting a 15 per cent offer, are expected to meet national officials of the TGWU this afternoon.

Picketing by Texaco drivers on oil terminals operated by BP, Shell and Esso was reduced, but Mobil's terminals came under more severe picketing.

Lay-offs could top 1m mark

BY COLLEEN TOOMEY

WELL OVER a million workers could be laid off by the end of next week if the lorry drivers' strike becomes official.

The Confederation of British Industry said yesterday that 750,000 employees could be sent home by then in the West Midlands. In Ulster the CBI said it knew of at least 10,000 lay-offs already and the number is growing. At least 100,000 workers could be laid off in London by the weekend if the strike is not settled, according to the London Chamber of Commerce.

As imports pile up at Britain's ports, many companies face a severe shortage of raw materials. Some are already using reserve supplies which will last for another two to 10 days. One-third of all port traffic in Britain, particularly general cargo and manufactured goods, is carried by lorry.

Few regions have escaped the effects of picketing by lorry drivers although strike action is still confined to key areas and rather "patchy."

The North-west has been particularly hard hit and the petrol tanker drivers' strike all but dried up fuel supplies in the Manchester and Merseyside areas.

In the North-east, engineering companies are reporting reasonable raw material stocks but finished products destined for expotr are being turned away at the docks.

All UK tinplate production is likely to dry up by the weekend unless the strike is settled. British Steel Corporation's three tinplate works in South Wales have cut production as picketing intensified.

Imperial Chemicals Industries is now seriously considering the position of some of its 90,000 UK employees in the likelihood of the strike continuing beyond the weekend.

The soft drinks industry is expected to close after today because of a shortage of sugar, carbon dioxide and bottles. Supplies of sugar to the British food industry have virtually dried up, the Food Manufacturers' Federation said last night.

Fuel supply shortages were still taking their toll on transport and schools yesterday. In some of the worst-hit areas more than one-third of schools were shut yesterday because of the shortage of heating oil. In Strathclyde, 460 schools and colleges were closed, affecting more than 200,000 children.

Bus companies throughout the country continued to operate reduced services. National Bus said that a number of its subsidiary companies were limiting services to conserve fuel supplies.

Full effects Page 8

'Little progress' in rail talks

By Philip Bassett, Labour Staff

THE THREAT of a national rail strike next week moved closer yesterday when talks on a 10 per cent productivity claim from the train drivers union ASLEF failed to reach agreement.

The union and British Rail meet again for full negotiations this morning, but if the union is still not satisfied with British Rail's response its executive will this afternoon finalise plans for a national strike.

Mr. Ray Buckton, ASLEF general secretary said after the meeting yesterday of a productivity working party that very little progress had been made.

The British Rail Board had suggested an offer of about 6 per cent in response to the claim, but Mr. Buckton said the attached conditions "would worsen the conditions of our members to such an extent they would not be able to persuade them to accept it."

The board is looking for an extension to more services of the present agreement with ASLEF and the National Union of Railwaymen, on the level of single- and double-manning by train drivers.

The offer, worth between £3.76 and £4.39 to drivers, is also conditional on the union agreeing greater flexibility of work patterns.

The full negotiations today under the Railway Staffs National Council are effectively only a report back of yesterday's working party and so seem unlikely to avert the strike threat.

Drivers in British Rail's Southern Region are due to take unofficial strike action over the claim today which is expected to affect severely services in the region.

The Department of Employment, yesterday approved a separate national productivity deal back-dated to April last year and based on improved business performance. The deal, which applies to all rail unions, gives about 2½ per cent—about £2.00 more a week.

£ in New York

—	Jan. 8	Previous
Spot	$2.0250-0260	$2.0216-0226
1 month	0.25-0.19 dis	0.15-0.08 dis
3 months	0.70-0.63 dis	0.57-0.52 dis
2 months	2.50-2.30 dis	2.20-2.10 dis

EEC may oppose use of shipbuilding aid fund

BY GILES MERRITT IN BRUSSELS AND LYNTON MCLAIN IN LONDON

THE GOVERNMENT has been warned by the EEC Commission that it is now unlikely to receive approval to use the £85m intervention fund the Government set up to subsidise new shipbuilding orders.

Without the fund, Britain's shipbuilding industry may be forced to find other ways of financing the losses on ships being built, with unsubsidised costs for each ship 30 per cent higher than those in competitive foreign yards.

The alternative would be for British builders to lose orders to overseas yards.

The Commission's competition directorate agreed to the use of the fund in July, but only until December 31. A further formal application to use the fund to subsidise ship orders is now necessary, but the Commission made it clear that it will not allow any further aid for the UK shipbuilding industry until the UK Government submits its plans for restructuring the industry.

The bulk of the UK shipbuilding industry is now accounted for by British Shipbuilders, the nationalised corporation.

British Shipbuilders' corporate plan for restructuring the industry was sent to the Industry Department at the end of December. Mr. Eric Varley, Industry Secretary, has started to consider the plan as a matter of urgency and meetings with Britain's shipbuilding unions and British Shipbuilders may take place later this month to discuss the plan.

The Industry Department did not know when the final plans for restructuring the industry would be ready to go to Brussels, but the department said the EEC was considering an extention of two or three months to the time for which the £85m fund is available.

In the meantime, the EEC would still consider applications to use the fund, the Department said.

It had been expected that the EEC Commission would give the go-ahead to British Shipbuilders contracts worth over £50m for five vessels. But the failure of the British Government to provide the details of its restructuring plans had meant that the necessary specific permissions had been withheld.

Work on one of the orders, for two refrigerated container vessels worth a total of £36m

Continued on Back Page

Animal feed mill supplies blocked

BY CHRISTOPHER PARKES

DOCK GATE pickets are preventing essential supplies of vegetable proteins from reaching animal feed mills, farmers and manufacturers, warned the Ministry of Agriculture yesterday.

As blocked shipments of soya-beans, fishmeal and other feeds pile up on the dockside more manufacturers are being forced to "dilute" their products.

Many rations now being compounded in their mills are calculated merely to keep animals alive rather than to fatten them up to slaughter weights.

Warnings of imminent mass slaughterings or starvation for thousands of pigs and chickens do not, however, seem to be backed up by the evidence available.

The Ministry of Agriculture "recognised" the feed trade's problem, Mr. Sydney Robinson, vice-president of the UK Agricultural Supply Trade Association, said.

Although the mills could get supplies of grain from farmers driving their own vehicles, essential proteins, which make up 40 per cent of pig and poultry feeds, were not passing through the picket lines at the docks.

Supplies of feed varied around the country, Mr. Robinson said, but he estimated that reserves at the mills, expressed as a national figure, might last for seven days if compounders reduced protein contents to basic survival level.

Some areas were already in difficulties. Mr. Tom Boden of the National Farmers' Union said he expected some farmers to be out of feed by the end of the week.

Amex bids for McGraw-Hill

BY STEWART FLEMING IN NEW YORK

AMERICAN EXPRESS, the largest U.S. financial conglomerate, yesterday launched a surprise $830m cash takover bid for McGraw-Hill, one of the world's leading publishing houses whose interests include Business Week magazine and the Standard and Poor's debt rating and financial information concern.

The move seems destined to stir up intense controversy in Washington where both the U.S. Justice Department and Senator Edward Kennedy are preparing new anti-trust legislation which would be designed to block precisely this sort of large acquisition. Share analysts, however, suggest that the proposal would not fall foul of existing legislation.

Although the Carter Administration has yet to finalise its attitude to anti-trust law reform, a presidential commission is completing a study of the issues. The White House is thought to be examining its position.

The American Express move came on Monday night when its top executive officers took a letter outlining the terms of the proposal to McGraw-Hill's headquarters in New York.

Yesterday morning as the news was released to the public and McGraw-Hill's shares did not open for trading, the company said it was preparing a statement on the bid. The deal does not appear to have been pre-arranged by the companies.

The American Express offer is $34 a share in cash, which compares with a closing price for McGraw-Hill on Monday of $24¼. The offer is worth approximately 13.9 times the $51.4m, or $2.08 a share, earnings reported by the publishing concern last year.

Concern about the economic implications of the current merger wave sweeping the U.S. as well as anxiety about the social and political impact of giant corporations lie behind the radical proposals for reforming anti-trust law being drawn up in Washington.

Earlier in the month the Justice Department announced that it was examining legislation which would ban mergers of companies with combined assets or sales of $2bn or more.

American Express is being advised by Blyth Eastman Dillon and Lazards.

Diversification is the key Page 27

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FEATURES

For latest Share Index 'phone 01-246 8026

EUROPEAN NEWS

Ankara awaits West's decision on aid

By Metin Munir in Ankara

MR. WARREN CHRISTOPHER, the U.S. Under-Secretary of State, arrives here today to inform Ankara of the Western leaders' decision at the Guadeloupe summit about helping Turkey out of its worst economic crisis, according to Turkish officials.

This would entail the formation of an emergency fund under the aegis of an international organisation, possibly the IMF or the OECD, to which Western states would be invited to subscribe.

West Germany and the U.S. are expected to be the largest contributors.

Turkish leaders are hoping that the fund will amount to $1bn-1.5bn a year over five years starting this year.

Western diplomats and bankers think this an unrealistic expectation, saying that a single sum of $750m-$1bn is more likely. They caution that if and when such a fund is set up, it will entail lengthy legislative processes in each subscriber country as well as negotiations on rates of interest and maturity.

Such a fund could be vital in getting the Turkish economy back on the rails and propping up Prime Minister Bulent Ecevit who is becoming increasingly unpopular.

Turkey is also in the process of raising $500m from the Eurodollar market. The Ministry of Finance says that subscriptions to date have approached $400m.

The country's plight was brought up during the Guadeloupe meeting by Chancellor Helmut Schmidt of West Germany.

A senior Turkish official commented: "A political will appears to have come about to help Turkey."

The Turkish economic crisis started at the beginning of 1977 with a severe foreign trade deficit, an even worse foreign exchange shortage and galloping inflation. The country could not pay for imports or service debts. The GNP growth rate declined to less than half the average 7 per cent of the 15 years preceding the recession.

Last April Turkey concluded a stand-by agreement for $450m over two years with the IMF. A debt rescheduling programme was implemented. Austerity measures were introduced. However, the crisis persevered in 1978 and spilled into 1979.

It has become clear that Turkey could not come to grips with its problems unless a politically-motivated fund was forthcoming from the West.

Mr. Ecevit underlined this necessity in Western capitals since he assumed office almost exactly a year ago. However, his pleas fell on deaf ears.

Two developments appear to have made a radical change in the West's thinking. The first has been the de-stabilisation of the so-called northern tier of countries under the belly of the Soviet Union. Pakistan and Afghanistan have long been in a state of political uncertainty. Iran is in a state of chaos which might well get worse if, as is widely predicted, the Shah is unable to retain his throne.

The second development was the massacre which occurred in the eastern Turkish town of Kahramanmaras over Christmas. More than 100 people lost their lives in this event—the worst case of civil disorder in modern Turkish history. Mr. Ecevit was obliged to declare martial law in 13 of Turkey's 67 provinces, including Ankara and Istanbul.

Kahramanmaras appears to have demonstrated to the West that, after years of increasing violence, Turkey was close to civil war.

Editorial comment, Page 14

Swedish budget aims at export promotion

BY WILLIAM DULLFORCE IN STOCKHOLM

THE BUDGET and Economy Minister, Mr. Ingemar Mundebo, yesterday presented a budget for 1979/80 with a record deficit of SKr 45bn on total expenditures of SKr 172bn (£19.8bn). The Budget is designed to reinforce Sweden's economic recovery by promoting the growth of exports and investments. At the same time the Government's commitments to control inflation and maintain employment are re-emphasised.

In his accompanying finance plan, Mr. Mundebo forecasts an acceleration in Sweden's economic growth this year. Gross National Product is expected to increase by 5.4 per cent compared with the preliminary estimate of 2.5 per cent for 1978.

The economic recovery has so far been almost entirely export-led but the finance plan provides for a cautious 2.8 per cent growth in private consumption this year following the decline of just over 1 per cent in 1978. The rate of growth in public consumption is estimated to decline from 3.2 per cent last year to 2.7 per cent in 1979.

Preliminary estimates for 1978 show a transformation of the trade balance from a deficit of SKr 4.6bn in 1977 to a surplus of SKr 6bn. This enabled the deficit on the payments balance to be cut from SKr 12.5bn to SKr 3.9bn. The finance plan assumes a trade balance surplus of SKr 6.9bn in 1979 but debt servicing will enlarge the payments deficit to just under SKr 5bn.

In contrast to last year when foreign trade made the largest contribution to GNP growth, the most expansive demand components in 1979 are expected to be the build-up in inventories, the increase in private consumption and a revival in gross investment.

Mr. Mundebo gives priority to the fight against inflation. The increase in consumer prices was restricted to 7.5 per cent last year and fell well short of the threshold which under the two-year national incomes settlement would have sparked off new wage negotiations last month.

The minority Liberal Government's target is to keep price rises to between 5 and 6 per cent in 1979 as a whole and to beat again the 5 per cent increase between December, 1978, and October, 1979, allowed for in the incomes settlement.

The main factors promoting the budget deficit are the "automatic" increases in spending on social affairs and education. Thus, over the last five years there has been a 90 per cent growth in pension and health insurance charges to SKr 30bn, a 109 per cent rise in education spending to SKr 23bn and a 106 per cent increase in children's allowances to SKr 11bn.

Finnish wage plan agreed

BY LANCE KEYWORTH IN HELSINKI

A NEW incomes policy agreement at central level was finally concluded yesterday after months of negotiation between the Finnish Government and the central federations of employers and unions. It covers the period from February 1 this year to February 28, 1980.

The agreement, combined with benefits promised under existing labour contracts, will raise wage costs this year by at least 11 per cent.

The new agreement consists of two closely linked parts: the framework labour contracts for the public and private sectors, and the Government's support programme in the form of temporary tax concessions, social security premium reductions and unemployment relief measures.

The package will, the Government claims, enable a 5 per cent increase in GDP (instead of the 3.5 per cent predicted earlier) and a reduction in the unemployment rate from 8 per cent to about 6 per cent during the year.

The labour contracts foresee a nominal wage increase of 2.25 per cent from February 1, plus certain fringe benefits. If the consumer price index rises 5 per cent by October, a further 1per cent wage increase will be granted in December.

In addition there is an earnings guarantee increment, in effect compensation for industrial wage drift, of 1 per cent in December and 0.5 per cent in March 1980.

Under the existing labour contracts, which expire on February 28 1979, benefits already promised will raise employers' wage costs by about 7 per cent this year. Adding the new costs to this takes the total rise up to over 11 per cent, and this is without any of the extra price-linked increases.

Dutch union pay demand

HOLLAND'S largest trade union federation, the FNV, will demand an extra Fl 20 ($10) a month for each employee in the forthcoming 1979 wage negotiations on top of full price compensation. This is necessary to maintain the real disposable income of the average Dutch worker currently earning Fl 30,000 ($15,000) a year, Mr. Wim Kok, chairman of the FNV, said.

According to official statistics, the average worker's real income will increase slightly this year but the reduction in family allowances, higher medical charges and planned tariff increases by local authorities will lead to a cut in the average family's income, the FNV believes.

The smaller CNV union federation said it does not plan to seek higher wages for its members since it believes full price compensation will be enough to guarantee incomes. But in view of economic uncertainties the CNV is keeping its options open and may make an extra wage demand later in the year if real incomes are threatened.

The FNV's demand will add just under 1 per cent to the wage bill of Dutch industry, although the union earlier said it might demand as much as 2 or 3 per cent.

The unions and employers are now starting wage negotiations on an industry and company basis following the breakdown in November of central wage talks between the two sides and the Government.

Sr. Miguel Cruz Cuenca

Spanish judge murdered

By Robert Graham in Madrid

A SENIOR Spanish judge, Sr. Miguel Cruz Cuenca, was yesterday shot dead outside his Madrid home by three gunmen. Sr. Cuenca's assassination brought the number of politically motivated killings to six since the start of the New Year nine days ago.

All previous killings have been claimed by the most militant part of the Basque separatist grouping, ETA-Militar. Spent shells of the type normally used by ETA assassins were found near the judge's body.

The attack bore similarities to that on the military governor of Madrid, Gen. Ortin, who was killed outside his home in central Madrid last Wednesday. Yesterday's assassination took place in spite of a massive police hunt still on in Madrid for Gen. Ortin's killers.

Sr Cuenca is the second legal figure to be assassinated in recent months. Last year the former head of the now defunct State Security Tribunal was killed outside his Madrid home. If ETA is responsible, as evidence suggests, the latest act of violence against a symbol of the state underlines the movement's determination to escalate a war of nerves with the Government.

Most observers are convinced that hardliners within ETA are determined to provoke the armed forces into heavy handed action against the Basques. The cumulative effect of ETA violence directed against the state in the past six months has been to create a deep malaise within the armed forces.

Maltese fuel prices to rise

By Godfrey Grima in Valletta

FUEL PRICE INCREASES, the streamlining of certain social benefits and some economy cuts are expected to be announced by Maltese Premier Mr. Dom Mintoff's Administration in this year's Budget, to be presented to Parliament on January 15.

This may exceed last year's M£100m (£135m) development and recurrent budget, but it raises problems. The island is still developing its economic and industrial base to gain self-reliance, but it must, from March this year, do without the M£13.3m Britain and NATO pay every year to use Maltese military bases.

Mr. Mintoff, in his new year's address, strongly intimated that the island faces increased petrol, fuel oil and gas bills. He also suggested there will have to be a cut in the number of imported cars. He said in 1978 tourist income, at M£50m, had still not reached saturation point.

Andreotti finalises recovery plan

BY RUPERT CORNWELL IN ROME

SENIOR ITALIAN Ministers were last night putting the finishing touches to the detailed three year economic recovery programme which is due to be approved by the Cabinet today before going for scrutiny to the parties and the unions.

The blueprint, first outlined by the Treasury Minister Sig. Filippo Maria Pandolfi last summer, has been worked upon incessantly over the intervening months. It aims to set the troubled Italian economy on the path of steady sustainable growth over the period from 1979 to 1981.

Even more important it constitutes the most menacing hurdle that Sig. Giulio Andreotti has to clear in his effort to hold together the precarious all party majority which keeps his minority Christian Democrat administration alive.

It is already clear that the most sensitive parts of the plan are those aimed at tackling the deeprooted difficulties of the south, and at holding down the growth of labour costs by wage restraint at direct odds with current union wage contract claims.

In what amounts to an Italian incomes policy, Sig. Pandolfi's strategy is to limit pay increases to those necessary to compensate for inflation not already covered by the automatic indexation procedure of the "Scala mobile."

In the last few days, however, the key metal and engineering workers have sent out claims to employers demanding not only an extra L30,000 (£17.80) a month, but also a cut in the working week to between 36 and 38 hours. The proposal is opposed by both the employers and the Communist Party.

The Communists, who are intensifying their warnings to the Andreotti Government that it must adopt more effective policies, have made it clear that the continuing support is conditional on a really vigorous package for the Mezzogiorno.

Such measures would be the most natural way of generating the bulk of the 600,000 new jobs envisaged under the 1979/81 plan. A concrete promise of more employment in turn offers the best hope for the party to avoid a damaging split with its traditional union allies.

Much will hinge on the meeting planned for tomorrow between the Prime Minister and leaders of the major unions to discuss the plan, and also the desperate plight of the major chemical groups SIR and Liquichimica, whose most threatened plants are in the south.

The indications are spending of over L12,000bn (£7.12bn) will be earmarked for the Mezzogiorno, though the chances of such sums being actually spent are doubtful. According to Sig. Paolo Savona, Managing Director of Confindustria—the employers federation — for every L10 set aside for the south, 50 were spent 10 years ago, 30 five years ago, and only 20 today.

The plight of the south has overshadowed other sections of the plan, with which the individual parties have little quarrel. The goal is to reduce inflation this year to the 10-11 per cent range, steadily reduce the public sector deficit and secure a steady expansion of output of 4 per cent annually, accompanied by a sustained increase in investments.

EEC farm price row threatens

BY MARGARET VAN HATTEM IN BRUSSELS

THE DISPUTE between France and Germany over farm subsidies, which has already delayed introduction of the European Monetary System (EMS), threatens to undermine the EEC Commission's plans for a freeze on farm support prices for 1979-80.

Although these two countries have agreed on procedures for tackling the issue, Commission officials believe any compromise likely to be acceptable to both would bring a head-on collision with Britain and the Commission.

France is insisting that the monetary compensatory amounts (MCAs) paid on intra-Community farm exports, which taxes French exports and subsidises German ones, should not be allowed to increase further on a permanent basis. It would like to see them phased out altogether but is no longer pressing for this.

Germany seems ready to accept curbs on MCAs, but only if EEC support prices are raised sufficiently to offset any consequent cuts in German farmers' incomes.

The Commission, battling to curb agricultural production and get rid of farm surpluses resulting from high-priced support, is determined to freeze prices. It is supported by Britain, the strongest critic of the so-called food mountains. Britain and the commission would like to scrap MCAs, which cost the Community more than $1bn a year. But Britain, which faces a 27 per cent rise in farm prices if this happens, would insist that it be offset by price cuts.

The battle is turning into a three-ringed circus as the French, German and British Farm Ministers, all of whom appear to consider their political futures at stake, take up hard line positions constantly undermining the tenuous accord between their respective heads of Government.

Meanwhile, the Commission, which usually presents its farm price proposals for the coming year in December, now seems unlikely to do this before February.

A council of Agriculture Ministers, scheduled for January 15 to sort out the agricultural implications of the EMAS, appears to have been dropped. Ministers will meet a week later and will probably be joined the following day by Finance or Foreign Ministers in an attempt to solve the dispute.

Jonathan Carr adds from Bonn: West German Government officials feel prospects are better for a compromise between Bonn and Paris on the disputed EEC agricultural issue, following talks on the issue in Guadeloupe between Chancellor Helmut Schmidt and President Valéry Giscard d'Estaing.

The French are thought to be more willing to agree to a procedure under which the reduction in MCAs will be linked to the annual farm price review. This would take account of one of the main demands of Herr Josef Ertl, the German Farm Minister.

David White adds from Paris: M. Pierre Mehaignerie, the French Agriculture Minister, plans to visit Belgium and Holland before the Ministers' meeting for talks on farm prices. Further discussions are expected to take place between French and West German experts.

Hungarian optimism on growth

By David Marsh in Basle

STEEP PRICE rises introduced in Hungary during the past week are intended to dampen consumption, but will not significantly restrain economic growth this year, Mr. Janos Fekete, deputy president of the Hungarian National Bank, said here yesterday.

Real living standards will increase by only 1-2 per cent this year against 3.5 per cent in 1978 and the 4-5 per cent to which Hungarians have been accustomed in recent years.

But the country's overall national income will rise only slightly less than last year's 4.5 per cent, he told the Financial Times in a telephone interview. "It doesn't mean a slump," he added.

Mr. Fekete was taking part in consultations in Basle between central bankers from East and West which take place here about every six months at the Bank for International Settlements.

The price increases, on petrol and many consumer goods, were necessary to adapt Hungary to world market prices, he said. A higher import bill for oil from the Soviet Union, which is gradually rising to world market levels the price of oil sold to Eastern Europe, had contributed to a worsening in Hungary's terms of trade.

Hungary was not, however, affected by the squeeze on oil supplies caused by the troubles in Iran. Of its 10m tons annual oil consumption, it buys 7.5m tons from the Soviet Union, produces 2m tons itself; it therefore relies on the world market for only 500,000 tons.

Gulf denies tanker was unsafe

BY STEWART DALBY AT BANTRY BAY

GULF OIL has firmly denied that the French tanker Betelgeuse which exploded early on Monday at its Bantry Bay terminal with the loss of 50 lives failed in any way to measure up to proper safety standards.

"In a cosmetic sense the vessel left something to be desired," Mr. Don Ash, the Gulf general manager in Ireland commented. "But in a functional sense the vessel was perfectly satisfactory."

The company was satisfied with its vetting procedures both in London and in Bantry Bay to ensure that vessels met safety standards. The company intended to continue its operations in Bantry Bay although the terminal was losing money by operating at only 25 per cent of capacity. It is estimated that it will cost some £15m to repair the two-berth loading bay.

Mr. Bill Finnigan, the Irish chairman of Gulf Oil in Ireland said that the explosion was an accident on the ship. Seven local people were killed in the explosion as well as 43 crew-members, mostly French. The 120,000 ton Betelgeuse was insured for £6.1m.

By last night the stern had sunk completely, leaving the bow protruding from the water alongside a burned-out loading pier. It is thought that about 80,000 tons of oil had been transferred ashore before the explosion. Gulf Oil says most of the oil in the vessel was burnt up in the explosion and that very little remains in the bow section.

Kevin Done adds: Gulf said in London that immediate steps were being taken to bring the terminal back into operation as quickly as possible.

Atlantic oil disaster averted

BY FAY GJESTER IN NORWAY

A 132,000 TON Norwegian super-tanker with an eight-meter-long crack in its deck has been nursed back to its port of loading at La Skhira in Tunisia, after a hair-raising five days at sea following discovery of the fault. When the crack was detected, the tanker, Wilstar, was two days out of La Skhira, heading towards the Straits of Gibraltar.

A salvage vessel, Jason, was called from Gibraltar to assist the damaged ship. The subsequent return journey, with Wilstar in constant danger of exploding from oil fumes leaking through the crack, has been hailed in Norway as a triumph for Norwegian seamanship and expertise. Without these, and some good luck, the Wilstar could have become yet another name on the list of recent super-tanker disasters, say shipping experts.

Mr. Tor C. Konradsen, the tanker's captain, was in continual telegraphic contact with Det Norske Veritas, Norway's ship classification institute, which ran computer studies to determine how the ship's cargo, a partial load of 92,000 tons, should be redistributed to lessen the strain on the cracked deck.

After Captain Konradsen followed the advice, the crack narrowed to about 2 millimetres from nearly 10 mm previously and the sides of the crack stopped grating against one another.

Poland pegs defence budget

By Anthony Robinson

IT NOW looks as though Poland has no plans to raise defence spending, in 1979 at least, although Romania was the only country publicly to deny the need for an increase in national contributions to Warsaw Pact defence as called for at the recent Moscow summit.

While Party resolutions and the Polish Parliament formally endorsed the need for Warsaw Pact vigilance in view of increased spending by NATO, approved at the Washington summit last May, the latest budget provides for a 2.6 per cent increase in the defence budget, which is in fact, roughly in line with the rate of inflation expected this year.

Poland is one of several Comecon countries which have decided to scale back growth and investment this year in the face of heavy debt repayment commitments, energy shortages and consumer pressures.

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Swiss salaries expected to rise only 0.5%

By Brij Khindaria in Berne

SWISS salary increases this year are unlikely to be above an average 0.5 per cent, according to Mr. Heinz Allenspach, director of the Swiss Employers' Association. He expects a slight increase in unemployment among Swiss nationals, raising the total at the year's end to more than 20,000.

Switzerland imports foreign workers, mainly Italians, under a system of short-term work permits and so far has handled unemployment problems by cancelling or not renewing permits. This has kept unemployment among Swiss citizens to low levels, although most branches of Swiss industry have experienced recession in recent years.

Mr. Leo Scheurmann, director of the Swiss National Bank, agrees with Mr. Allenspach that Switzerland can expect gross national product growth of about 1 per cent this year, combined with an inflation rate of only 2 per cent. But there is some controversy over a forecast by the Economic Research Institute that salaries might rise by as much as 3 per cent on average.

A report on economic prospects by the Union Bank of Switzerland, one of the country's largest banks, says that exchange rate trends again will play a dominant role in shaping the economic scene this year.

SPRING ELECTIONS IN AUSTRIA

Kreisky gambles to stay alive

BY PAUL LENDVAI IN VIENNA

Chancellor Kreisky, top, and opposition leader Dr. Taus: their popularity under test.

Despite a series of political setbacks last year, Dr. Bruno Kreisky, the 68-year-old leader of Austria's Socialist Party, is confident that he will disprove Press reports about his fading popularity and be returned to power in a general election.

THE AUSTRIAN Socialists, in power since April 1970, will today call for early general elections—likely to take place on May 6, five months ahead of the statutory term. Both the opposition parties and part of the Press have already fired the opening shots in the electoral campaign, accusing the Government of self-professed inability to take decisions. Some conservative commentators have taken the recent series of political setbacks as the final proof for the end of what is usually called "the Kreisky era."

But in striking contrast to general assumptions in Vienna political circles an opinion poll carried out in December showed that Chancellor Bruno Kreisky seems to be as popular as ever. When asked whether they preferred Dr. Kreisky or the leader of the main opposition People's Party Dr. Josef Taus as Chancellor, 57 per cent opted for the 68-year-old Socialist leader and only 23 per cent for the populist party chief, who is 22 years his junior.

Meanwhile, according to the survey the Socialist Party would receive about 49 per cent of the popular vote, barely missing an absolute majority.

The poll shows up the carefully orchestrated Press campaign about Kreisky's "rapidly fading popularity" as wishful thinking. An editorial in the influential Die Presse during the weekend cautioned the Opposition that it would be a grave mistake to write off prematurely the Chancellor as a decisive factor in Austrian politics.

Yet few would agree with the Chancellor—as ebullient and optimistic as ever despite a painful eye-infection—that 1978 was "a politically very successful year." Four important events are generally listed as political setbacks for Dr. Kreisky's party: the Government's defeat at the first postwar referendum about the commissioning of Austria's first nuclear plant, completed at a cost of some £300m; opposition gains at the Vienna municipal elections; the surprise election of the controversial conservative media executive, Herr Gerd Bacher as new Director General by the board of the state radio and television; and last but not least, the much-publicised dispute between the Chancellor and his deputy and Finance Minister, Dr. Hannes Androsch about the latter's private business interests.

In one way or another, these events have reflected and promoted the tendencies towards what the opposition describes as self-satisfaction, opportunism and nepotism in a party which, thanks primarily to the personality of Dr. Kreisky, has won three general elections in a row, the last two, in 1971 and 1975, with an absolute majority. The narrow defeat at the nuclear referendum and the failure of the usually disciplined Viennese voters to turn up at the polls at the last municipal elections last autumn were an ominous straw in the wind.

It is not or not yet the dynamism of the political opposition, but rather the disenchantment of large segments of youth and among the 70,000 hard core Socialist activists which may produce a turn of the tide in favour of the populists.

Some observers believe that the sensational Press stories about the luxurious life-style and alleged private fortune of Dr. Androsch, who also owns one of the country's large chartered accountancy firms, may yet prove a serious liability to the Socialist Party.

It was in these circumstances and faced with a series of regional and municipal elections scheduled to take place this year that Dr. Kreisky once again seized the initiative, surprising both his followers and his adversaries. Even before the formal decision to hold early elections was taken, the opposition and industry and labour interests hastened to welcome the idea, albeit of course for different reasons. Instead of an election campaign lasting practically 10 months, the whole operation costing the parties an estimated £8m-£10m should be over in just about four months.

Austria boasts a relatively favourable economic situation compared with most other European countries. Dismissal in certain industries and the growing difficulties in maintaining the labour force in the nationalised steel (particularly special steel) industry are not yet influential enough factors to alter the political climate as a whole.

With inflation below 4 per cent, the schilling still ranking as a member of the hard-currency bloc; the rate of seasonal winter unemployment in December remaining virtually unchanged at 2.8 per cent and a slight acceleration of economic growth to 3 per cent predicted for this year, Austrian society is stable because the people are better off than ever before.

The first Socialist poster on which a smiling "hard hat" proclaims "we've never had it so good" is likely to be the basic theme of the Socialist propaganda. And the Chancellor will be presented as the supreme guarantee of both security and affluence.

But the Government's narrow defeat at the nuclear referendum last November shows that not even such a consumate politician as Dr. Kreisky can take the electoral behaviour of the 5m voters for granted. There is a more open game of political manoeuvres and the young voters, one in 10, also constitute a major factor of uncertainty.

Few people indeed share Dr. Kreisky's view that he could repeat the miracles of 1971 and 1975 by capturing an absolute majority. The odds are in favour of a resurrection of the "great coalition" of "reds" and "blacks" which governed Austria between 1945-1965.

OVERSEAS NEWS

Guerrilla fighting continues in north west Cambodia

BY RICHARD NATIONS IN BANGKOK

MR. POL POT, Cambodia's Premier, is in the country and leading a guerrilla resistance from jungle base camps organised long before Phnom Penh was evacuated. All the Government's key leaders, with the remaining defence forces, abandoned Phnom Penh hours before the final Vietnamese assault last Sunday at midday.

This is the story told by Mr. Mihaile Lompar, the Yugoslav Ambassador to Phnom Penh, who crossed into Thailand with other diplomats and over 800 Chinese technicians on Monday.

Mr. Lompar says he last saw Mr. Khieu Sampan, Cambodia's President, and Mr. Ieng Sary, the Foreign Minister, at a farewell reception on Saturday for Prince Sihanouk, who was leaving for Peking. Prince Sihanouk told the gathering that the people's war would continue and that the "Kampuchea people would never surrender to the aggressor," a reference to Vietnam.

The capital was in the last stages of evacuation on Saturday evening, when Mr. Lompar left to return by road to Battambang, 170 miles north-west near the Thai border. Mr. Pol Pot, he was told, had already reached the Government's new jungle headquarters. Mr. Lompar said the diplomatic corps was advised that the Government could no longer guarantee their safety on January 2, and that night many foreign residents left Phnom Penh—with Prince Sihanouk—for Battambang. The next day Mr. Lompar and the Chinese Ambassador, Mr. Sun Hao, accompanied Prince Sihanouk back to Phnom Penh—again travelling by night for fear of bombing—where Mr. Pol Pot asked the Prince to travel to the UN to represent Cambodia at the special meeting of the Security Council yesterday.

The Phnom Penh diplomats do not know where the new headquarters is, but speculate it may well be in the Chaine de Cardamomes, in the south-west, ideal guerrilla terrain bordering Thailand, and edging into the country's vital central region.

The diplomats say they have heard that the Khmer Rouge had also evacuated Kratie at Stung Treng, crossing to the west bank of the Mekong River before Vietnamese occupation. Some think that many Cambodian units defending the northeast may have remained intact.

There are reports of continuing heavy fighting and concentrated air strikes west and south of Phnom Penh, indicating there is still resistance from Khmer Rouge forces which the Vietnamese columns by-passed while driving on the capital.

N. Chanda adds from Hong Kong: Although the Cambodian insurgents claim that the Cambodian regime has been destroyed, radio communications of the Cambodian military command could still be picked up from the north-west.

China has indicated it would be happy to take Pol Pot away from Cambodia, so that moderate elements in the Cambodian Communist Party could build a broadly based national front to oppose the pro-Hanoi regime.

Our Foreign Staff adds: Tens of thousands of Cambodians are returning to their native villages north of Phnom Penh after leading the "communal life" for more than three years, according to Phnom Penh's new leaders. The newly established Kampuchean (Cambodian) Peoples Revolutionary Council comprises eight members: Heng Samrin (Chairman), Pensovan, Hun Sen, Cheo Sim, Keo Chanda, Professor Chan Yen, Dr. Nubeng, and Mok Sakun.

Foreign Ministers of the Association of South-East Asian Nations (ASEAN) have expressed their grave concern over the fighting, and are to meet in Bangkok later this week.

The Laotian and Vietnamese Governments have recognised the new Phnom Penh leadership.

Yugoslavia, which as a leader of the non-aligned movement has, with Romania, played an active role in trying to prevent great power rivalry between China and the Soviet Union spilling over into conflict in South East Asia, is showing concern at the way the international community has stood aside and allowed the Vietnamese invasion of Cambodia.

Although there has been no official Yugoslav reaction so far, top officials are privately critical of Soviet support for the Vietnamese action.

See Feature, Page 14

Hard times and hard bargaining in Iran

BY ANDREW WHITLEY AND ANTHONY MCDERMOTT IN TEHRAN

IN THE bazaar all the shops are shut, corrugated blinds pulled tightly down in response to a two-month-old call for a total strike against the Shah. But the simple economics of demand and supply, and the Iranian's natural urge to trade, whatever the difficulties, especially after the closure of traditional outlets, has led to a growing sub-economy on the streets of Tehran.

In front of the drawn shutters, salesmen each have their small patches on the ground or stalls on which the demands of the hour are displayed. Clothes, anything from jeans (made in Taiwan) to garishly coloured sweaters against the cold, and strident underclothing are laid out in piles. Food is exempt from the religious prohibition on trading, but this did not preclude a stern warning from the opposition citadel in Paris against the inevitable profiteering. The best selling lines were torches for the nightly power cuts, lasting anything up to eight hours, and plastic Chinese contraptions, looking remarkably like hospital drips, for siphoning fuel.

And even though the shutters were down, the inevitable youths sidled up asking if we wanted to buy carpets. We were led off down an alley. A swift glance to left and right, and a shutter was rolled up, and smartly pulled down behind us. In the underground warehouse outrageously priced Baluchi, Turkoman and Isfahan carpets were unrolled, and proffered. Pro forma bids made and rejected—and nothing bought. Business is bad, and the Jewish merchants who specialise in carpets and antiques are suffering worse than most.

Elsewhere the fuel shortage is much in evidence. On the pavements there are long rows of coloured plastic containers for fuel oil—often without their owners. Outside the petrol stations, wisely guarded by troops to prevent fisticuffs between irate and frustrated drivers, the queues of cars (even outside closed stations) stretch, literally, for miles. The cars themselves, engines silent, are pushed up slowly by their drivers until dry tanks are filled and queueing put off for another day or so.

Racketeering, of course, abounds. Many of the taxi drivers, who have abandoned their regular rates and replaced them with exorbitant demands, have given up cruising the almost empty streets (where a few plucky individuals, including one daring American correspondent have taken to bicycles) and instead spend their time in petrol queues. Once the tank is full they sell the precious product to desperate motorists, then go home. There is also a rumour that after curfew hours the police help themselves at stations and run their own second-hand sales.

Newspapers reappeared on Saturday after a break of two months in protest against the last military government. At the airport on Saturday, now almost deserted, the most visible event was a group of some 10 people crowding round a man with a newspaper. There were queues of 200 people waiting to buy them today. The circulation of Ettelaat, normally 330,000, shot up to nearly 1m. A black market in these precious first editions has already started. The Tehran Journal yesterday in a sonorous editorial wrote: "As this editorial is being written, cars outside our building are honking their horns and people are waving their hands and shouting for joy at the reappearance of newspapers." Twas never so in Fleet Street. Meanwhile at the airport, one of the few baggage handlers at work demands 200 rials (nearly £1.50) for carrying two bags a few yards.

The attacks on banks and the temporary collapse of the banking system has also brought a welcome relief to the householder as the few telephone, lighting and telex bills actually being sent out are almost impossible to pay. But although the economic crisis has inevitably fostered people's ingenuity, and led to some slightly comical scenes, the fact remains that many people are indeed suffering—despite one of the warmest winters for years. Not everybody though: an escape clause in the customs officials' otherwise solid blockage of imports still lets in the foie de gras and Scottish smoked salmon.

Fall in S. Africa reserves

BY QUENTIN PEEL IN JOHANNESBURG

SOUTH AFRICA'S foreign exchange reserves fell by R210m (£119.4m) in December, amid growing speculation about major changes in Government exchange rate policy which are expected to be announced before the end of the month.

Measures to stem the continuing outflow of both long- and short-term capital from the country, make South Africa more attractive to foreign investment, and allow more flexibility in the rand exchange rate, have all been under consideration by the Commission of Inquiry headed by Dr. Gerhard de Kock, deputy governor of the reserve bank and special advisor to Senator Owen Horwood, the Minister of Finance.

However, a continuing delay in publication of the Commission's recommendations, and of Mr. Horwood's response to them, has increased speculation over the possibility of a simultaneous devaluation.

Senior officials at the reserve bank have denied the rumours, and blame the bulk of the drop in reserves on seasonal factors, including the payment of year-end dividends by foreign subsidiaries operating in South Africa. But they admit that the decline in foreign exchange holdings to a level of R365m, was somewhat larger than expected.

Overall, South Africa's gold and foreign exchange reserves declined by only R35m to R2.04bn in December, thanks to an increase in the gold component of R175m, a reflection of the increased bullion price. But reserve bank officials admit that the foreign exchange component is uncomfortably small.

An important factor in the continuing outflow of capital has been the switching of trade finance from overseas to domestic sources, because of the continuing rise in international interest rates coinciding with a drop in South African rates.

Although reserve bank officials say the position has stabilised since the beginning of the year, the combination of a reduction in overseas trade credits and in long-term capital inflows will continue to stretch the reserves unless Dr. De Kock can propose some dramatic incentives to reverse the flow.

There is considerable pressure from the business community for Mr. Horwood to combine his decisions on exchange control with a general package of stimulation to revive the faltering economic recovery, and this could include a small devaluation.

But in the wake of the OPEC oil price increase, which already has resulted in a 10 per cent petrol price rise in South Africa, there are strong arguments against such a further inflationary move.

One reason for the delay in Mr. Horwood's announcement is thought to be the division in the ranks of senior government advisors between those who believe some stimulation of the economy is now essential, and those who insist that inflation, persisting at around 11 per cent, must first be brought under control.

Meanwhile, Dr. De Kock's most significant recommendations are expected to make foreign investment in South Africa easier and more attractive. Although little has leaked out about his conclusions, the most popular suggestion is that he will propose a two-tier exchange market, with a continuing link between the rand and the dollar for ordinary transactions, but a separate "financial rand" reserved for capital transactions.

This could be accomplished by an extension of the existing securities rand market, those blocked rands created by the proceeds of the sale of South African securities by foreign nationals, which at present can be used only by non-residents for portfolio investments.

Such a system would mean that any intending foreign investor could purchase his rands at a discount (securities rands have traded recently between 30 and 40 per cent below the official rate) with the guarantee that he could repatriate his money through the same market.

An alternative, and one possibly easier to administer, would be for any potential investor to be given guaranteed forward cover by the reserve bank, as well as an undertaking that he can take his money out of the country again at the guaranteed rate.

Mr. Horwood's announcement is now promised before the opening of the new Parliamentary session on February 2. However it is unlikely that any decision can be taken for another week.

Zambian mines face sharp production cuts

LUSAKA — Zambia's two main copper mining companies, short of skilled technicians and needing foreign currency to buy vital equipment, predicted yesterday that heavy production cuts would have to be imposed this year.

Unles foreign currency allocations are made available by the Government and foreign experts are found and retained, a production shortfall of 80,000 tonnes (more than a tenth of annual output) is likely, the heads of the companies announced.

Both companies, Roan Consolidated Mines (RCM) and Nchanga Consolidated Copper Mines (NCCM), are owned by the Government but rely on several thousand foreign expatriates to run their mines. Mining is the biggest foreign currency earner for Zambia.

RCM's managing director, Mr. Davidson Phiri, said that his company's mines expected to lose 50,000 tonnes in production while NCCM's spokesman, Mr. Francis Kaunda, predicted a drop of 33,000 tonnes at his company's mines.

Mr. Phiri, underlining the seriousness of the situation, said that vital equipment at RCM mines was either lying idle due to shortage of spares or because machinery was being partially dismantled for use elsewhere.

The two companies together reported losing 258 foreign technicians last year, many of them veterans who had worked in the mines for years.

AP.

Egypt goes for growth with a record budget

BY OUR CAIRO CORRESPONDENT

THE 1979 State budget presented to the Egyptian People's Assembly yesterday is the biggest ever—exceeding last year's allocation by over 30 per cent—and indicates that the Government is going for all-out growth to beat its problems with rising consumer spending.

Total expenditures this year are expected to be E£12.93bn (£17.01bn) and revenues E£10.25bn—leaving an overall deficit of E£2.68bn, which is well above the E£2.3bn ceiling agreed with the International Monetary Fund last June.

A major reason for the sharp rise in Government spending is an increase in subsidies, from E£680m in 1978 to E£1,177m this year. The abolition of the official exchange rate and its amalgamation into the parallel rate on January 1 removed a much-abused method of understating Government expenditures. It cost the Government an estimated E£470m, accounting for a large part of the subsidy increase.

Despite underspending on capital imports last year, the Government is stepping up capital imports this year to meet planned capital investment of E£2,560m. Mr. Mustafa Khalil, the Premier, has said this figure could be raised to E£3,000m if there are sufficient funds.

The import bill is expected to rise E£501m to E£4.51bn, broken down as follows: consumer goods E£1,224m; intermediary goods E£1,996m; and capital goods E£1,394m. Visible and invisible exports, primarily from workers' remittances, Suez Canal revenues, oil exports and tourism, are expected to earn E£3,111m, or E£407m more than last year.

Other major expenditure items include the Government and public sector wage bill of E£1,358m and repayment of debt and interest payments of E£780m. Social services and housing development will take E£391m while special incentives for agricultural development—such as interest reduction on agricultural credits, the removal of duties on farm machinery and tractors—are expected to cost E£255m.

This year should also see the first fruits of the open-door policy. Of the 891 projects worth E£1,978m signed up at the end of October last year, 687 worth E£1,324m are either producing or in the process of construction, it is officially claimed. They will provide an extra 196,000 jobs. The Government is committed to create an extra 304,000 jobs this year.

A major part of the increased revenues will come from taxes and duties, a policy to which the Government is committed as part of its campaign to win public support for austerity measures.

Jenkins for China

Mr. Roy Jenkins, president of the Common Market Commission, will pay a one-week visit to China beginning on February 25, an EEC spokesman told Reuter.

Oil workers put pressure on Carter

DENVER — Oil workers went on strike at one refinery on Monday and honoured a strike at a second one, but their union put off any *major walkout until* learning the Carter Administration's reaction to a possible 8.3 per cent rise.

The contract dispute, in which offers from 21 companies were rejected on Monday, is the first major union test of President Jimmy Carter's wage-price guidelines.

Contracts covering 60,000 members *of the Denver-based* Oil, Chemical and Atomic Workers International Union expired at midnight on Sunday. But an offer from Amoco now being considered by the union has delayed any union-wide strike.

Union president Mr. A. F. Grospiron said he wanted to learn whether the Amoco offer, which calls for an 8.3 per cent rise in the first year, would be acceptable to the Administration under the Carter guidelines.

Although workers were told by the union to report to work on Monday, a Gulf Oil refinery in Port Arthur, Texas, with about 3,000 union workers, was disrupted by pickets. Oil workers were also honouring a picket line set up by other unions at an Arco plant in Port Arthur. The Arco plant has 469 union workers.

The Amoco proposal is a two-year offer reportedly calling for a 73 cents-per-hour increase in the first year and a wage reopener clause the second year.
AP

Troops patrol in Lima

LIMA—Troops were out in force in the Peruvian capital yesterday, the first day of three-day general strike called by several unions to protest against *Government economic policies.* The authorities have declared the stoppage illegal and warned that army and police patrols will shoot on sight if there is rioting.
Reuter

China's choice for U.S. envoy

PEKING — Mr. Deng Xiaoping (Teng Hsiao-Ping) the Chinese Vice Premier told U.S. senators yesterday who he favoured to be the first American Ambassador to China.

In a light-hearted exchange he said Mr. Leonard Woodcock, chief of the U.S. liason office accompanying four members of an armed services sub-committee, would receive his vote.
AP

Brown tosses his hat in Presidential ring

BY JUREK MARTIN, U.S. EDITOR IN WASHINGTON

Governor Jerry Brown

GOVERNOR Gerry Brown of California has *clearly* staked out the grounds on which he might run for the American Presidency by publicly calling for a constitutional amendment requiring the Federal Government to balance the budget.

In an inaugural address on Monday night at the start of his second term as Governor of the nation's biggest state, Mr. Brown *said that* the balanced budget initiative was unprecedented "but so is the political paralysis that prevents necessary action."

Backing this up with practical action at the state level, he urged the state *legislature* to pass an additional $1bn tax cut and promised to reduce the state employment force by a further 5,000 people.

The political attitudes of Jerry Brown appear to have come full circle. Less than a year ago, *he* was strenuously arguing against adoption of the controversial Proposition 13 tax *cutting initiative, which reduced* state taxes by $7bn. When it was *overwhelmingly passed*, he became the most ardent advocate of fiscal austerity and won re-election easily. He clearly now intends to carry this message to the national scene.

In his inaugural address, he took aim at the Federal Government and, by implication, at the man who stands in the path of his own Presidential ambitions, Jimmy Carter. He accused the Federal Government of "stimulating inflation."

"This perverse Government money machine has created a fiscal dividend for local, state *and federal government* and allowed all three to expand faster than inflation and faster than real economic growth. These unauthorised dividends are now being cancelled. The tax revolt is being heard," he said.

Coincidentally, a new organisation was created on Monday, bearing the name Californians *for Brown. Its ostensible purpose* is to raise money to pay off last year's campaign loans but it could just as easily be *converted into a vehicle to help* launch a Presidential candidate.

As elliptical as ever, Mr. Brown said nothing directly about *his* ambitions in his inaugural address, though the assumption of many Californians is that he will run next *year.*

Most national public opinion polls have shown him miles behind both President Carter and Senator Kennedy in the affections of the Democratic Party, though one recent survey by the Los Angeles Times suggested he could beat the President.

In staking out so conservative a *fiscal position*, Mr. Brown seems intent on trying to preempt Mr. Carter's own austere economic policies, while driving the more liberal philosophies of Senator Kennedy even further into left field, to use the baseball analogy.

Many of his critics are bound to condemn him for cynical opportunism in jumping on a bandwagon which he so recently opposed, but Mr. Brown has always possessed an acute eye for the main chance and the political nous to follow it up.

From a practical standpoint, a constitutional amendment may be enacted in two ways: Congress may vote in favour of it leaving eventual ratification up to the votes of three quarters of the state legislatures: or two thirds of the states must pass resolutions calling for a constitutional convention to draw up an amendment, which is then referred back to the states for approval.

The latter route appears the most probable in the budget balancing case: so far 22 states have passed assorted resolutions in favour of the proposition (they would need to be harmonised to conform with legal *requirements) and others,* reflecting the current hegemony of conservative economic philosophies, have expressed interest. The process, however, could be time consuming.

Supreme Court to rule on state takeover laws

BY JOHN WYLES IN NEW YORK

THE SUPREME COURT is to *consider* a case which could determine the legality of the many U.S. state takeover laws, which have markedly changed the face of merger and acquisition activity in the country over the past few years.

At issue is whether states have the constitutional right to impose tighter regulations on corporate takeovers than are already *provided by the* 1968 Wililams Act amendments to the Federal Securities and Exchange Act.

Some 32 states have passed *laws which, in* various forms, require adcance notification which, it has been alleged, gives undue advantage to a company bent on resisting a takeover.

The case stems from a challenge to the takeover laws of the state of Idaho launched by Great Western United, a company controlled by Texan oil millionaires Nelson Bunker Hunt and *William* Herbert Hunt.

They successfully brought an action in a Texas court, subsequently upheld last August by *an appeal court in New Orleans*, which resulted in a declaration that the Idaho takeover law was unconstitutional and could not, therefore, delay a Great Western tender offer for 2m shares of Sunshine Mining, a silver mining operation in Idaho.

Idaho, in its appeal, is first challenging the jurisdiction of the Texas court to rule on its takeover law, and secondly the substance of the ruling that the Williams Act pre-empted the sate law. In effect, this called into question the various statutes around the country which require advance notification of tender offers, and which enable target companies to secure public hearings in front of state authorities before a tender offer can proceed. By contrast, the Williams Act enables a bidder, once it has filed the appropriate papers with the Securities and Exchange Commission, to make an immediate tender offer to shareholders with a 10-day expiry period. *Because* many managements have found it difficult to rally shareholders' support against such offers within such a short time, it has been argued that the federal law has helped too many "Saturday night specials." These are quick takeovers which have sometimes resulted in assets being acquired cheaply.

● *Mr. Ian Sinclair, chairman of* Canadian Pacific Investments (CPI), has said he hopes a decision will be made by the end o fthis week, or the beginning of next, on whether to proceed with a proposed takeover bid for Macmillan Bloedel.

Mr. Sinclair is to go to Vancouver to tell interested parties about reaction to the offer.

At the weekend CPI, 82 per cent owned by Canadian Pacific, said Macmillan Bloedel shareholders will be offered $28 a share, or the option of trading each share for a convertible preferred share in CPI.

U.S. body sees drop in spending

By Our New York Staff

CONSUMER confidence in the U.S. has slumped to the levels recorded before the 1974 recession, and clearly indicates a downturn in the economy this year, according to the latest survey by the University of Michigan Research Centre.

The centre's latest report, after a survey of 1,460 people in November, will strengthen expectations of a drop in consumer spending this year. Both the Conference Board, a business research organisation, and Citibank have come to similar conclusions from recent surveys of consumer sentiment, which changed markedly in the second half of last year.

But the Michigan centre argues that "the decline in consumer attitudes and expectations has been less rapid and less severe" than was recorded before the 1974 recession, although the index reading from the November survey is much the same as it was then. The centre suggests that the 1979 recession might resemble more "the period of declining consumer sales in the late 1950s."

Michigan's index of consumer sentiment fell from 80, reported in its survey in June last year, to 75 in November. This reading was "lower than the trough reading of 73.4 recorded in 1970, and is comparable to the level recorded just prior to the last recession."

Tight security for Chile bomb trial

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

ONE OF the most closely *watched international terrorism* trials in some time began here yesterday, under conditions of extreme security.

In the dock were three well-*known anti-Castro Cuban exiles* accused of conspiracy to murder Sr. Orlando Letelier, a leading expatriate opponent of the present Chilean Government, who was killed, with his assistant, Mrs. Ronnie Moffit, when the car in which they were driving was blown up by a bomb in the centre of Washington in September, 1976.

Eight people in all have been indicted in connection with the murder, including the former head of DINA, the Chilean secret police, two other DINA agents, and five Cuban exiles. The three Chileans are awaiting a ruling from the Chilean Supreme Court on whether *they may be extradited to the* U.S. to stand trial, while two of the Cubans have not been apprehended.

The trial is important for two main reasons: the case led to an international outcry and has caused even greater strains in relations between Chile and the U.S. It may also shed light on international terrorism in general.

Both the judge and the prosecuting lawyer have recently received death threats, and the most stringent security measures are being applied.

Integral to the prosecution's case is the testimony of a U.S.-born former DINA agent, *Mr. Michael Townley. Mr.* Townley lived in Chile for 20 years, is an acknowledged explosives expert, and has admitted belonging to an extreme right-wing group dedicated to eliminating opposition to the present Chilean regime.

Mr. Townley was named in the indictment as the man who placed the bomb in Sr. Letelier's car but, *last August*, when he had been extradited to the U.S. after intense U.S. Government pressure, he agreed to co-operate with the prosecution in exchange for the charges against him being reduced.

The indictments, in good measure based on Mr. Townley's *evidence, allege that* Gen. Manuel Contreras, the former head of DINA and a close associate of Gen. Pinochet, the Chilean head of state, ordered Sr. Letelier's murder and got his agents, working with U.S.-based Cuban exiles, to carry it out.

Sr. Letelier was Chilean Ambassador to Washington while the late President Allende headed the Chilean Government.

INDUSTRIAL RELATIONS IN BRAZIL

Unions emerge from years of repression

BY A CORRESPONDENT IN SAO PAULO

BRAZIL'S new government will have to give serious attention to the unions, who, by striking in 1978 for the first time in 10 years, demonstrated the need for their voice to be heard.

As one labour leader, Sr. Luis Ignacio Da Silva put it: "*We want to get back what* was taken away from us at the time of the so-called Brazilian miracle. I admit miracles can happen because I believe in God, but I can't let them happen if they rob those who already have nothing!"

Strike action last year by skilled metalworkers, doctors and bank employees involved hundreds of thousands of workers.

The centre of much of last year's activity inevitably was greater Sao Paulo, an area containing Sao Paulo and its industrial suburbs of Osasco, Guarulhos and the "ABCD" (the big industrial zone containing the towns of Santo Amaro, Sao Bernardo, Sao Caetano and Diadema). This area has a population of some 13m and is the most important industrial centre in South America.

The 1964 military coup marked the beginning of a long period of repression for the unions. Many leaders were expelled and replacements named by the Government.

Strikes were made all but illegal. Unions were reduced to mere health and welfare organisations, excluded from any part in economic decision-making. There was no free collective bargaining. Instead, there was an annual readjustment of wages by the Government, calculated according to a formula that has never been published. Until recently, the net result for most workers has been a gradual reduction in the purchasing power of their wages.

May last year brought large-scale mobilisations and the distribution of "manifestos" stating union demands for immediate wage increases and for a reform of the legal framework covering union activities: freedom to demonstrate and *organise, freedom to strike* and the formation of "factory committees" were among the demands.

The first wave of strikes came on May 12, starting with the metalworkers at Saab Scania in Sao Bernardo and spreading from factory to factory outside the union control, *until the entire ABCD* and parts of Sao Paulo were paralysed. The demands were for a 20 per cent wage increase, and the employers eventually conceded between 10 and 15 per cent.

The second wave came in late September and early October. A total of 250,000 workers was involved, of whom 50,000 were union members. But the outcome was very different.

Unlike the unions in the ABCD, which are controlled by young labour leaders not linked to the traditional union bureaucracy, the Sao Paulo union is still in the hands of "pelegos" — pro-Government union leaders who follow the official line.

One such pelego, Sr. Joaquim Dos Santos Andrade, head of the Sao Paulo Metalworkers' Union, after a 30,000-member mass meeting had voted on the third day of the strike to continue industrial action, managed by backroom manoeuvring to get it suspended.

The situation is thus one of experience gained for the next stage. For if the more short-sighted employers have retaliated with sackings and the *pelegos have attempted to* recover lost ground by adopting the vocabulary of militancy, the more radical unionists also have made considerable ground in terms of experience and strategy.

Alaska oil helps cut import bill by 6%

By David Lascelles in New York

THE U.S. managed to cut its oil imports—a major reason for the dollar's weakness—by about 6 per cent last year, thanks to energy conservation measures and the increased flow of Alaskan oil.

According to the American Petroleum Institute, the trade group which compiles statistics on oil movements, imports of both crude and petroleum products averaged just over 10m barrels a day in the week ending December 29. This brings the all-year average to around 8.2m barrels a day, 6 per cent less than the record 8.7m barrels imported last year.

These figures, which are only preliminary, are roughly in line with recent forecasts, though the reduction is somewhat lower than earlier estimates which ranged up to 9 per cent. The main reason for the drop was the greatly increased flow of Alaskan crude oil, which now averages 1.2m barrels a day.

There were some savings from use of smaller cars and better home insulation, though these were partly offset by an unusually high level of motoring during the mild autumn.

The 10m barrels a day imported in the last week of December was sharply higher than the 8.6m average for the rest of the month and was due *to stockpiling in anticipation of* the OPEC 5 per cent price rise which took effect on January 1.

This spurt could add several hundred million dollars to the U.S.'s December import bill, though it will be partly offset by lower imports in January.

Shipments showed a rising trend in the last quarter of last year, from 8.2m barrels a day *in September* to 8.4m in October and 8.9m in December. With domestic production unlikely to increase, any rise in demand will have to be met by imports.

Economists have produced widely differing estimates of the impact of the OPEC price rise. These range from an extra $2bn to as much as $15bn on last year's oil bill of $44bn.

BASE LENDING RATES

A.B.N. Bank	12½%	■ Hambros Bank	12½%
Allied Irish Banks Ltd.	12½%	■ Hill Samuel	§12½%
Amro Bank	12½%	C. Hoare & Co.	†12½%
American Express Bk.	12½%	Julian S. Hodge	13½%
A P Bank Ltd.	12½%	Hongkong & Shanghai	12½%
Henry Ansbacher	12½%	Industrial Bk. of Scot.	12½%
Associates Cap. Corp.	12½%	Keyser Ullmann	12½%
Banco de Bilbao	12½%	Knowsley & Co. Ltd.	14½%
Bank of Credit & Cmce.	12½%	Lloyds Bank	12½%
Bank of Cyprus	12½%	London Mercantile	12½%
Bank of N.S.W.	12½%	Edward Manson & Co.	13½%
Banque Belge Ltd.	12½%	Midland Bank	12½%
Banque du Rhone et de la Tamise S.A.	13%	■ Samuel Montagu	12½%
Barclays Bank	12½%	■ Morgan Grenfell	12½%
Barnett Christie Ltd.	13½%	National Westminster	12½%
Bremar Holdings Ltd.	13½%	Norwich General Trust	12½%
Brit. Bank of Mid. East	12½%	P. S. Refson & Co.	12½%
■ Brown Shipley	12½%	Rossminster	12½%
Canada Perm't Trust	12½%	Royal Bk. Canada Tst.	12½%
Cayzer Ltd.	12½%	Schlesinger Limited	12½%
Cedar Holdings	12½%	E. S. Schwab	13½%
■ Charterhouse Japhet	12½%	Security Trust Co. Ltd.	13½%
Choulartons	12½%	Shenley Trust	14%
C. E. Coates	12½%	Standard Chartered	12½%
Consolidated Credits	12½%	Trade Dev. Bank	12½%
Co-operative Bank	*12½%	Trustee Savings Bank	12½%
Corinthian Securities	12½%	Twentieth Century Bk.	13½%
Credit Lyonnais	12½%	United Bank of Kuwait	12½%
Duncan Lawrie	12½%	Whiteaway Laidlaw	13%
The Cyprus Popular Bk.	12½%	Williams & Glyn's	12½%
Eagil Trust	12½%	Yorkshire Bank	12½%
English Transcont.	12½%		
First Nat. Fin. Corp.	14%		
First Nat. Secs. Ltd.	14%		
■ Antony Gibbs	12½%		
Greyhound Guaranty	12½%		
Grindlays Bank	12½%		
■ Guinness Mahon	12½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 10%, 1-month deposits 10¼%.
† 7-day deposits on sums of £10,000 and under 10%, up to £25,000 10½% and over £25,000 10¾%.
‡ Call deposits over £1,000 10%.
§ Demand deposits 10%

U.S. predicts mid-February conclusion of GATT talks

BY BRIJ KHINDARIA IN GENEVA

MR. ALONZO MACDONALD, the chief U.S. trade negotiator in Geneva, said yesterday that he was confident that the long drawn out GATT negotiations can be concluded in the coming weeks.

Special teams of officials have arrived here from Washington to strengthen the U.S. delegation to the trade talks so that all unresolved issues can be handled simultaneously.

Removal of tariff barriers to trade remains a major point of difference between the EEC and Japan. The Japanese are now arguing that they cannot offer any further substantive concessions although the Community sees their tariff-cutting offer as being far too small and selective.

The U.S. has apparently reached satisfactory understandings with Japan, but has yet to settle its differences with Canada, which wants to ensure that the 1980s offer more opportunities to move out of the trading shadow of the U.S.

Rules concerning safeguards have also not been completed but the U.S. feels that this is more an issue between the Common Market and developing countries than among the developed nations themselves.

The Community wants to obtain the right to impose import curbs unilaterally against selected suppliers. This position clearly violates existing rules of the General Agreement on Tariffs and Trade (GATT) and is strongly opposed by all developing countries.

U.S. sources expect the overall trade negotiations in Geneva to reach completion by mid-February, barring mishaps such as a Congress refusal to waive imposition of import duties on almost $500m worth of Common Market products to countervail alleged export subsidies.

This law came into force on January 3 but the U.S. Administration has promised to suspend its application pending a Congress decision.

Japanese car sales up by 11.6%

By Charles Smith in Tokyo

JAPANESE DOMESTIC car registrations reached 4.68m units in 1978, the second highest level on record and an increase of 11.6 per cent over the 1977 level, the Japan Automobile Dealers Association announced yesterday.

The Association attributes the high level of car sales to the effect of stepped-up sales efforts by manufacturers coinciding with a natural peak in the replacement cycle of passenger cars. The all-time record year for domestic car sales in Japan was 1973 when sales reached 4.91m units. Car owners who bought new models in that year were changing their cars for the first time in 1978 industry analysts say.

The Automobile Dealers Association has not published figures for car exports (these are released by a separate organisation and will not be officially available until the end of January). According to preliminary estimates however, the industry shipped 4.59m units overseas in 1978. It was 5.7 per cent more than the 1977 figure.

Car exports were up sharply during the first two quarters of 1978 (by 27.8 per cent and 14.8 per cent respectively over the previous year's level).

E. German and Polish shipyards show record output despite slump

BY LESLIE COLITT IN BERLIN

EAST GERMANY and Poland have achieved record high output in their shipyards despite the general recession in world shipbuilding.

The reasons, according to the two Comecon shipbuilders, are that they avoided tanker construction which was the most seriously hit by the recession and had up to half of their production of specialised vessels bought by the Soviet Union. They maintain that their ships are not sold at "dumping prices" nor are favourable credits able to be offered.

East Germany last year turned out 58 ships totalling 406,000 grt, the largest output ever, with half of the ships bound for the Soviet Union under long-term agreements. Among the other customers were India, France and Norway

This year the East German shipbuilding industry will continue turning out the all-container Mercur freighters and Atlantik super-trawlers which are factory fishing ships. The Warnow shipyard at Warnemunde is building a 168 metre semi-container vessel of the newly developed Monsun series while a 22,000 ton universal freighter is being produced at Wismar's Mathias Thesen yard.

Despite the impressive statistics knowlegeable East Germans say the shipbuilding industry, which was erected from virtually nothing after the war to supply ships as reparations to the Soviet Union, has largely been a drain on the economy in past years.

A Polish economics writer, Mr. Kazimierz Zalejski, says Poland's shipbuilding industry climbed from fifteenth place in the world in 1976 to tenth place a year later. Poland moved up from being the ninth largest exporter to become fifth, exporting 41 ships totalling 542,000 tons out of 67 ships produced totalling 603,000 tons.

Poland is said to have attained first place internationally in construction of chemical ships with 36.7 per cent of world production, third place in LPG liquid gas tankers (20.3 per cent); fourth place in container ships (10.5 per cent) and fourth place in output of fishing vessels (11.5 per cent).

Last year orders for Polish ships are said to have remained at roughly the same level with the country taking five per cent of international orders or, eighth position internationally.

According to the Polish foreign trade organisation Centromor, no Polish ship was sold "under the world market price" and credit terms were not as favourable as those granted by Japanese and other competing shipyards in the west.

New machine tools policy

BY CHRISTOPHER BOBINSKI IN WARSAW

POLISH PURCHASES of machine tools from the West will stay at present levels for two years, Mr. Alexander Jung, the head of Metalexport, the Polish foreign trade organisation which specialises in such imports, said here.

Metalexport which had a turnover of $1.2bn in 1978, 60 per cent of which is with hard currency countries, has been importing $500m worth of machine tools a year from the West since 1976.

According to Mr. Jung the value of imports will stay at this level until 1981 but the structure of Polish purchases will change.

Metalexport will not be looking for equipment for complete plants but will be concentrating on machine tools which will modernise existing factories and clear specific production bottlenecks.

Sharp rise in Israeli exports

By David Lennon in Tel Aviv

ISRAEL'S industrial exports grew by 26 per cent last year to total $3.25bn. In addition, Israel's exports of polished diamonds increased by almost one third in the past year to $1.25bn.

The director general of the Ministry of Industry and Commerce, Mr. Amos Mar-Haim, said that during 1977 there was a continued growth in exports by the metal and chemical industries. At the same time there was a fall off in the percentage of food and textile exports in the annual total.

Soviet gas deal

WARSAW — Poland will receive a record 4.1bn cubic metres of Soviet natural gas this year, 60 per cent more than last year, the official Polish news agency said here.

The Soviet Union increased the supply from the 1978 figure of 2.5bn cubic metres as the first installment to pay for Polish participation in the construction of the Soyuz gas pipeline from Orenburg in the Urals to Poland's border, the agency said.

The volume of gas will increase again next year to total 5.3bn cubic metres, an amount will then be supplied annually for 20 years. The dollar value of the transactions was undisclosed.—AP

New OPEC ship policy urged

BY LESLIE MITCHELL IN KUWAIT

The Kuwaiti Oil Minister, Ali Khalifa al-Sabah, has suggested that the OPEC countries should by themselves decide how much of their crude oil and refined products must be transported in their own vessels rather than waiting for the problem of cargo preference to be solved through discussions with the importing countries.

He indicated that OPEC could make this percentage stick by linking the sale of crude and petroleum products to the use of the producing countries' tankers.

The Minister, who was the opening speaker at the Seatrade conference here on energy, trade and shipping, said, "I do not think that this problem can be solved through dialogue because through dialogue very little has been given so far.

"I think the only rational thing is for OPEC to agree collectively that a minimum percentage of its energy exports must be carried on its own tankers at rates that guarantee a reasonable return on investments."

The Minister said that if one of the OPEC countries did not have the tankers to carry the specified percentage and did not intend to invest in enough vessels, it should be entitled to a premium on its official oil price. The Arab tanker fleet is less than 1.5 per cent of world fleet tonnage and one third of that 1.5 per cent is laid up.

Kuwait now has two refined product carriers and intends to buy seven more. It has a crude oil tanker capacity of about 2.5m dwt, owns one LPG vessels and is awaiting delivery of four more of those vessels this year. It has tied the sale of its LPG to the use of its LPG tankers.

Algeria lets contracts for LP gas plant and pipeline

ALGIERS — Sonatrach, the Algerian national oil and gas concern has awarded a contract for the construction of a liquefied petroleum gas (LPG) treatment unit to a Japanese consortium formed by C. Itoh and Ishikawijima-Harima heavy industries (IHI), the official Algerian Press service news agency reported yesterday.

The contract, signed last month is worth 2.2bn Algerian dinars (about $550m) and all foreign and local costs in goods and services have been entirely covered by loans.

The unit will be built in Bethioua, near Arzew, the main natural gas terminal on the Mediterranean coast.

It will have four production lines and is expected to go on stream by the end of 1981. It wil produce 2.2m tonnes of propane and 1.8m tonnes of butane a year.

The news agency also said Sonatrach is expected to ask soon for public tenders for a new LPG plant with 5m tonnes a year capacity.

Sonatrach has also contracted with the U.S. firm Bechtel for construction of a pipeline carrying up to 9m tonnes of LPG a year.

The 24-inch pipe, between the gas fields of Hassi R'mel and the methane plants of Arzew, on the Mediterranean coast, will be 510 kilometres long.

The contract for about $150m includes a loan for $118m and the pipe should come into operation by the third quarter of 1981, with an initial capacity of 6m tonnes, to reach 9m when a second pumping station is completed.

Reuter

Dutch chemicals industry sees better year ahead

BY CHARLES BATCHELOR IN AMSTERDAM

HOLLAND'S EXPORT oriented chemicals industry hopes for a slight improvement in world markets in the current year following a disappointing 1978.

Markets for bulk products are picking up a little, export levels are being maintained and "miserable price levels" appear to have passed their low point, chairman of the Chemical Industry Association (VNCI), Mr. Eppie Ter Horst, claims. Little change is expected in the picture for speciality products which have fared better than the bulk sector in recent years, Mr. Ter Horst added in his new year review.

Expected downward pressure on the guilder this year may help the industry's exports, which account for 80 per cent of sales, although a weak guilder is, in the long run, disadvantageous for Holland, he said.

Investment is expected to fall by Fl 500m ($250m) to Fl 1.4bn this year. This will largely be due to the fact that investments planned before the 1973 oil crisis have now been completed while over-capacity in the bulk sector and the low expectations for economic growth are also factors.

Rising raw material prices and the threat of even greater losses which this poses appear to have persuaded the chemicals industry that higher prices will not necessarily lead to a loss of market share, Mr. Ter Horst commented.

Jordan cement expansion

BY RAMI G. KHOURI IN AMMAN

THE CONTINUING high demand for Portland cement in Jordan has prompted the country's sole cement plant, operated by the Jordan Cement Factories Company, to embark on another $50m expansion project.

It has also placed orders for 1.2m tons of imported cement to be delivered over the coming two years, in a deal worth $72m.

An expansion project is already underway at the Fuheis cement plant where a fifth kiln is due to start producing clinker, or unground cement, in July this year.

But a sixth kiln will now be required, Cement Company managing director Shawkat Sboul said here over the weekend and consultants for this new expansion project will be chosen in the coming three months, from a shortlist of eight.

Tender documents for the sixth kiln, estimated to cost around $50m will be ready in July, he said. This kiln would be comissioned as a turnkey project, he added.

BEI electricity testing for India

BY JOHN LLOYD

BRITISH ELECTRICITY International, the overseas consultancy arm of the British electricity supply industry, has won a contract from the Uttar Pradesh State Electricity Board of India for a series of tests on the recently-constructed Obra-Sultanpur line in Northern India.

BEI says that the tests will probably be the most comprehensive ever carried out on any 400 kV system. However no details on the value of the contract have been released.

The test programme is planned for autumn 1980, and will include line and transformer switching tests, fault throwing tests, radio interference and line impedance tests.

New testing equipment for the project will be assembled and proved in the UK under the supervision of the Central Electricity Research Laboratories.

The work will be carried out by staff from the research laboratory, and the Transmission Development and Construction Division of the Central Electricity Generating Board, supplemented by staff from the CEGB regions.

Ford leads UK car market sales and imports in 1978

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

FORD WAS the major importer of cars to the UK as well as the market leader last year. About 35.2 per cent of the 392,366 Ford cars registered *last year* were imported.

Ford's *imports represented* 8.67 per cent of the total market compared with the 6.39 per cent achieved by Datsun, its nearest rival, which had sales of 101,735.

In spite of the strike which devastated Ford's *sales during* October and November, the group accounted for 24.65 per cent of the UK registrations last year.

According to Society of Motor Manufacturers and Traders' statistics published today, total car sales reached 1.592m in 1978, *representing* a 20.3 *per* cent jump from the 1977 figure.

Registrations were the highest since the peak of 1.662m in 1973, but were slightly below the SMMT's forecast of 1.6m made early in the year.

UK CAR REGISTRATIONS

	December				12 months to December			
	1978	%	1977	%	1978	%	1977	%
Ford*	10,469	16.99	15,862	27.40	392,366	24.65	340,319	25.71
BL*	16,276	26.41	13,838	23.91	373,793	23.48	322,067	24.33
Vauxhall*	5,692	9.24	5,392	9.32	130,993	8.23	120,600	9.11
Chrysler*	6,486	10.53	5,190	8.97	112,562	7.07	79,730	6.02
Total British	28,750	46.66	31,957	55.21	806,872	50.68	722,947	54.62
Datsun	2,733	4.44	1,227	2.12	101,735	6.39	82,133	6.21
Fiat	2,774	4.50	3,004	5.19	72,192	4.53	66,015	4.99
Renault	3,287	5.33	2,004	3.46	69,627	4.37	55,862	4.22
VW/Audi	2,825	4.58	1,989	3.44	63,222	3.97	45,958	3.47
†Total imports	32,870	53.34	25,926	44.79	785,069	49.32	600,577	45.38

* Includes cars from companies' Continental associates' which are not (not) included in the total UK figures.
† Includes imports from all sources including cars from Continental associates of UK companies.

Distorted

However, the Ford dispute distorted the market very badly. In the nine months to September sales were 23 per *cent higher* than in the *same* period of 1977. In the final three months growth was only 7 per cent.

But the SMMT insists: "The fall off in sales in recent months does not represent the end of the *boom in the car market.*" It forecasts sales will be around 1.58m in 1979.

Imports took 49.3 per cent of the 1978 market against 45.4 per cent the previous year. Boosted by "tied" imports by the major UK-based manufacturers, the Common Market *countries accounted for most* of the increase with their share of the total registrations moving up from 31.1 per cent to 32.8 per cent.

Vauxhall imported 26.8 per cent of the cars it sold last year, most of them Cavaliers from Belgium, while Chrysler's *imports—including* the Simca range—were a more modest 15.88 per cent of total sales.

The Japanese share of the UK market rose from 10.61 per cent to 10.96 per cent in spite of the understanding that it would not exceed the *1977* level.

The UK Department of Trade *said this was "unfortunate" but* there were special factors at work. Not the least of them was the Ford strike which had the effect of reducing the size of the market *from the expected* level.

The department apparently *feels* that the Japanese manufacturers have stuck to their word about shipments from Japan.

"We will be watching carefully in 1979 to see what the Japanese meant *when they said* in November that they would *continue to be 'prudent'* in their approach to exports to the UK." the deparment added.

Only Toyota among the Japanese failed to keep pace with the expansion of the UK market in 1978 and its sales rose 17.3 per cent. Datsun registrations jumped 23.8 per cent.

Among the smaller Japanese companies, Honda had a 35 per cent rise in sales compared with the previous year, Colt a 55.6 per cent increase.

And newcomer Subaru, really in the market for the first time *in 1978, saw sales rise to* 1,514, although it had set a target of 2,000 registrations.

BL took second place in the sales league with a 23.48 per cent market share. However, like Ford and Vauxhall, its *share slipped because it failed* to keep pace with the total *market expansion.*

The total was down from 24.33 per cent in 1977 after BL registrations advanced 16 per cent against the overall market rise of 20.3 per cent.

Ford's sales rose by 15.29 per cent on the *1977 level leaving* its market share down from 25.71 per cent to 24.65 per cent.

Vauxhall's performance must be causing some concern within its parent General Motors as it managed only an 8.6 per cent increase in sales and saw its market share fall from 9.11 per cent to 8.23 per cent.

As with *Ford,* Vauxhall was short of cars because of industrial disputes early in the year.

Chrysler, newly-acquired by Peugeot-Citroen of France, outpaced all the UK-based groups *by recording a 41 per cent sales* increase

Of the *importers, only Fiat,* Mazda, Mercedes and Skoda lost market share last year.

● Britain's best-selling models in 1978, with sales in brackets, were: 1, Ford Cortina (139,204); 2, Ford Escort (114,415); 3, *Morris Marina* (82,638); 4, BL Mini (72,671); 5, Ford Fiesta (68,723); 6, Austin Allegro (61,535); 7, Vauxhall Cavalier (55,373); 8, Vauxhall Chevette (52,327); 9, Ford Granada (38,099); 10, Datsun Sunny (37,923).

Big rise forecast in four-wheel drives

BY OUR MOTOR INDUSTRY CORRESPONDENT

THE UK market for four-wheel-*drive passenger vehicles should* rise by more than a third to about 12,000 in 1979 because of aggressive marketing by importers.

This was forecast yesterday by Mr. Christopher Tennant, managing director of TKM Vehicle Services (UK), a sub-*sidiary of Tozer Kemsley* and Millbourn (Holdings), the international finance and trading group.

His company began marketing Japanese Daihatsu and the U.S. Jeep four-wheel-drive vehicles in the UK late in 1977 and last year captured 15 per cent of the market.

In 1979 the company expects *to control* 20 per cent of the increased market, pushing its turnover up from £10m to £14.8m. Last year it made a *marginal profit, although it* budgeted for a small loss. Profits should be "good" this year.

The company expects to sell 1,800 Daihatsus, costing from £4,314 to £5,149 after price increases totalling 17 per cent *last* year, and 1,080 Jeeps which, *after an average 8 per cent* price increase this week, cost from £5,199 to £10,999.

Mr. Tennant said nobody knew how great demand for four-wheel-drive vehicles in Britain might be. The country had been short of them for some years because of shortages of locally-*produced Land-Rovers and* Range Rovers.

In the peak year, 1973, about 17,000 four-wheel-drive vehicles were registered—all of them from BL.

This year demand will be stimulated by the marketing efforts for Daihatsus and Jeeps, by the importers *of* the Subaru four-wheel-drive cars and estates from Japan and by the introduction of the Niva from *the Soviet Union which goes* on sale probably towards the end *of* February with a UK allocation of 800.

And further interest will be generated by the European launch of Mercedes' first four-wheel-drive vehicle this spring.

Mr. Tennant said that the £280m, two-year programme by BL to double output of Land-Rovers and Range Rovers would have little impact in the UK as he expected 90 per cent of the increased production to go for export.

Reserves of gas 'for 500m years'

By David Fishlock, Science Editor

A THEORY to account for the presence of natural gas in the earth, which suggests that the *amounts remaining* far exceed the quantities tapped so far, has been put forward by one of the world's leading cosmologists.

Professor Tommy Gold of Cornell University believes that the earth's crust is saturated with methane to a depth of perhaps 700 kilometres—enough to last the world at present consumption rates for 500m *years.*

Professor Gold said in a BBC *radio interview last night that* if his theory was correct, the places to search for large new natural gas deposits were among the oldest rocks in the world—such as the rift valleys of Africa and Australia.

He suggested that the Russians were already tapping one source *in very old rock,* in the region of Lake Baikal, an ancient sandstone deposit.

Phenomena

Professor Gold believes that his theory of the origin of *natural gas—that when the* earth was formed huge quan*tities were trapped, or "fossilised,"* with it—accounts for many natural phenomena.

It accounts, for example, for the presence of carbon dioxide in the atmosphere and the abundance of carbonate rocks in the earth's crust. *It also* accounts for the flames often *associated with earthquakes,* and for a phenomenon known as "mud volcanos," caused he believes by eruptions of high-pressure methane.

One mud volcano, which caught fire in the USSR, was reported to have thrown a flame well over a mile into the sky.

Mr. John Maddox, director of the Nuffield Foundation, interviewing Professor Gold, suggested that the most impressive feature of the new theory was the way it accounted for such a diversity of natural events. He proposed, moreover, that it could also provide the explanation of the forces that make the continents drift or *move slowly relative to one an*other across the face of the earth.

The watermill at Bovey Tracey, Devon, restored by ITT and used as a micro-electronics components factory.

When restoration work wasn't run of the mill

BY PAUL TAYLOR

INTERNATIONAL Telephone and Telegraph, the multinational communications group, *yesterday won* a Business and Industry Panel for the Environment 1978 Premier Award for its restoration of a Devon watermill (above) which is now used as a micro-electronics components factory.

The watermill in the village of Bovey Tracey is now used as a *satellite factory for the* company's European Components Group plant at Paignton and employs 121 people producing mica capacitors. Restoration work has included the rebuilding of the mill's waterwheel.

The ITT factory was one of four projects reflecting industry's concern for the environment which won the Premier Awards presented by the Duke of Gloucester in London yester*day.*

Sir Peter Parker, chairman of *British Rail and president of* the panel which was set up in 1975, said the awards showed industry's growing awareness of its environmental responsibilities.

This year, about 80 projects were submitted to the panel *which* uses criteria such as planning and environmental improvements, the *effects of* improvements on companies' employees and the local community and the way in *which problems* of saving energy and resources are resolved to decide upon the annual winners.

The other three projects *winning the* Premier Award were the South Nottinghamshire Coal Board's colliery tip reclamation project in conjunction with a local farmer at Bentinck Colliery — where barley is now being grown on a working pitheap, Vickers for its new £45m Michell Bearings *factory in Newcastle, and a pro*ject by Simons Design Services which transformed a derelict medieval house in Lincoln into a public house.

Plastics processors make poor progress

By Sue Cameron

THE UK plastics processing industry is making poor progress towards the targets it has set itself under the Government's industrial strategy, according to a report from the plastics process sector working *party.*

The report, prepared for next month's meeting of the National Economic Development Council, shows that UK imports of plastics goods have risen from 9 per cent in 1975 to 10.5 per cent in the first *half of last year.* Yet the sector working party's aim is to halve *imports of many* plastics goods by 1980.

The industry is also aiming to double plastics goods exports by 1980 but the report shows that the UK's share of world exports rose by only 1.2 per cent between 1975 and 1977.

The report says the sector working party is "acutely conscious" that the "*continued credibility*" of these highly ambitious targets has been questioned in the industry. But it adds that "any announcement of the death of their lingering credibility *would,* as yet, be premature."

The report says *motor* vehicles are a "definite area of *opportunity*" for UK plastics processor, but it criticises the Health and Safety Executive for being reluctant to amend regulations to allow plastic petrol tanks.

New National Savings issue

THE 18th issue of National Savings Certificates is to go on sale on January 29.

It replaces the 14th issue, sales of which will be suspended on January 27.

The 18th issue will provide a return of 8.45 per cent free of tax to investors who hold them for the full five-year term.

Investors can buy up to £1,500 in units of £10.

Royal warrant for Fisons

FISONS Agrochemical Division has received a royal warrant as tradesman to the Queen.

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Food experts to join Allied Breweries board

BY ANDREW TAYLOR

TWO TOP figures in the UK food industry are to join Allied Breweries as non-executive directors. The move is announced just three months after Allie acquired the ailing Lyons food group in a £60m deal.

Sir Alex Alexander, the retiring chairman of the Imperial Group's food division and Sir Hector Laing, chairman of United Biscuits will join the Allied board at the end of March. Sir Hector retires soon as chairman of the Food and Drinks Industries Council.

The appointments, particularly that of Sir Alex, are seen as the first significant moves to strengthen Allied's newly acquired Lyons food interests.

Sir Alex, 62, is also a non-executive director at Tate and Lyle and Unigate. He was one of the pioneers of the UK frozen foods industry joining the Ross Group in 1949. He was chief executive at Ross when it was sold to the Imperial Group in 1969.

Sir Hector, 55, will remain chairman of United Biscuits and is also a director of the Bank of England and the Royal Insurance Company.

Mr. Keith Showering, Allied's chairman, said that all aspects of the group's business would benefit from the experience of the two new directors—not just the Lyons operations.

ICI adapts profit scheme to gain tax relief

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

ICI HAS become one of the first big companies to adapt its employee share ownership form of profit sharing so that it qualifies for tax relief under last year's Finance Act.

The tax relief is available from this April and the Inland Revenue is now vetting individual companies' plans. Very few schemes have yet been finally approved although there are about 50 under scrutiny.

ICI's amended scheme has been given broad approval by the Inland Revenue and employees are being told this week that they can opt next month for shares carrying tax advantages.

The Finance Act's tax concessions apply to share handouts of up to £500 a year in schemes which cover all employees. The shares are held by trustees and the tax advantage depends on the time they are held. In general after five years 50 per cent of income tax is waived, after seven years 75 per cent is waived, and after 10 years no tax is paid.

The concessions were included in the Act as a result of Liberal Party pressure on the Government in last year's Lib-Lab pact. They are expected to lead to a gradual extension of employee share ownership in the UK where there have been few schemes in the past.

ICI's profit-sharing scheme is one of the oldest and best known in British industry. It was introduced in 1953 and all employees who qualify are issued with shares. Following modifications introduced last year, the amount of money allocated is related to a value added assessment of the company's profits as well as to an employee's salary. Before the value added formula was introduced, the amount was fixed each year by the ICI Board.

The shares have, until now, been taxable and about 80 per cent of the 80,000 employees who qualify are believed to sell them immediately. Last year's average handout was £325 gross, or £206 after income tax, with, for example, middle managers on £10,000 a year receiving £710 gross and £2,000-a-year manual worker receiving £142. The total gross bonus was £27.3m of which nearly £10m went in income tax.

Now employees will be able to choose each year whether to opt for these old-style shares which are immediately saleable and taxable, or for up to £500 of the allocation to be made in new-style shares which would remain with the scheme's trustees for at least five years. This will start with the allocation of the 1978 bonus and employees will have to make their decision by the end of next month.

New share schemes approved under the Finance Act do not count against the Government's official 5 per cent pay limit. In ICI's case, those shares which are allocated for immediate sale are also exempted from the pay limit because ICI's profit-sharing scheme was in operation before the start of the Government's pay policy.

Labour group suggests looser pay policy plan

A LOOSER form of pay policy, with the Price Commission acting to discourage excessive wage increases in private and nationalised industries, is proposed by the Manifesto Group, representing the moderate wing of the Parliamentary Labour Party.

Its document, The Future of Counter-Inflation Policy, was published yesterday. It has been sent to the Prime Minister, the Chancellor of the Exchequer, Labour's National Executive and the TUC General Council.

The hope is that it will form part of Labour's manifesto in this year's general election, or at least influence its contents.

It suggests annual discussions between the Government, unions, employers and consumer organisations before the Budget.

They would not decide on a pay limit but would agree what the desirable and achievable rate of inflation should be during the following wage negotiations.

The proposal is not unlike ideas being mooted in the Conservative Party, and resembles the German system.

Mr. Ian Wrigglesworth (Teesside, Thornaby), secretary of the group, and Mr. John Cartwright (Woolwich, East), chairman, were at pains yesterday to emphasise the distinction between their policy and the Opposition's.

They consider that the Tories would mainly rely on the operation of free market forces and that that would result in a "free for all" and stormier industrial relations.

The document argues that the Left wing of the Labour Party, is forcing the Government to abandon its five per cent pay policy, has shown that its views on the issue are no different from the Conservatives'.

Nevertheless, implicit in the Manifesto policy is the eventual reliance on market forces to restrain wages. It calls on the Government to adhere to clear monetary guidelines, to adopt a fiscal policy compatible with private industry's demand for finance, to maintain the value of sterling and to enforce cash limits in the public sector.

Companies making excessive awards should not be allowed to plead reduced profits as a reason for prices increases.

In the non-trading public sector it suggests synchronising dates for pay awards and the settlement of relativities through the establishment of a TUC Public Services Committee.

The document emphasises the need for the Government and TUC to restore an understanding on pay before the general election. "The party cannot go on burying its head in the sand, pretending there is no problem."

£1m expansion

INTERNATIONAL System Buildings of Wyllie, Blackwood, Gwent, yesterday announced a £1m expansion programme aimed at establishing its Reddi Kabin mobile units as market leaders. Three production lines will come into operation at Wyllie and the management team is being expanded.

Talks on £24m BL aluminium works

BY ROY HODSON

A BRITISH company and a foreign company are now negotiating with BL (formerly British Leyland) Components which is seeking partners for a £24.7m, Government-backed, aluminium foundry project in Leeds.

Previous talks between BL Components and the two biggest aluminium founders in Britain—Birmid Qualcast and Associated Engineering—were inconclusive. But the further participation in the talks of at least one of those companies is not ruled out.

BL Components is determined to go ahead with the foundry, to produce aluminium engine blocks and cylinder heads, whether or not it secures support from the private sector aluminium foundry industry.

The BL management is convinced that the group's Austin and Morris mass-production car divisions need the support of a big-engine aluminium foundry for the 1980s. Prices quoted by private sector foundries are too high for the work to be placed outside the group, BL contends.

A comparative study carried out by BL has shown to the satisfaction of the board that the proposed Leeds foundry—which has the blessing of the Little Neddy foundries committee—should be capable of making engine castings at below the prices being presently paid by BL's major competitors.

The aluminium foundry industry is reacting strongly to BL plans for a new foundry. The Light Metal Founders' Association claims its members have been presented with a fait acompli by BL.

Foundry companies are complaining to the Government and the National Enterprise Board that they could carry out the BL Components' engine castings orders more cheaply and efficiently than a BL-owned foundry.

Toothpaste 'rivalry cuts prices'

By David Churchill, Consumer Affairs Correspondent

THE PRICE Commission yesterday gave a clean bill of health to the toothpaste market which is described as "highly competitive" and which has led to a reduction in real prices in recent years.

But the commission mildly rebuked the toothpaste manufacturers for their heavy advertising expenditure as well as their practice of recommending retail prices.

The toothpaste market is dominated by four large companies—Beecham Proprietories, Elida Gibbs, Colgate Palmolive, and Proctor and Gamble. The commission said that these companies compete mainly on price—through offering special temporary price reductions—as well as heavy advertising.

Advertising expenditure as a proportion of total sales represented just over 17 per cent for toothpaste, compared with almost 8 per cent for razor blades, and just over 2 per cent for detergents.

"We do not suggest that the level of toothpaste advertising should be limited but we would view any future increase in advertising with concern, especially if it became a factor in any proposed price increase," the commission said.

It pointed out that the real level of expenditure on toothpaste advertising had declined by about 18 per cent from 1973 to 1977. This followed a rise in advertising costs as well as a switch to more price competition.

The commission found that for any given tube size there was a wide spread in the retail price of toothpaste between different outlets. Independent shops largely sold at or around the recommended retail price, while the big multiples sold at minimum prices taking a low retail margin but achieving a high turnover.

Price Commission Sectoral Examination Report No. 12: Prices, Costs and Margins in the production and distribution of toothpaste, HC 125, SO Price £1.

● NEWS ANALYSIS—BL FOUNDRY PLAN

Casting industry has its doubts

BY ROY HODSON

BEHIND THE BL Components disclosure of plans to build a £24.7m aluminium foundry in Leeds to make engine castings lies a fundamental disagreement between BL and the laluminium castings industry on the growing use of the metal in car production.

The British car industry is following rather belatedly the example of the European and Japanese car makers by switching to aluminium engine blocks and cylinder heads for mass market models.

Strength for strength, the metal is half the weight of iron or steel. It offers an attractive route forward for car designers instructed to produce new models with lighter all-up weight and better fuel economy.

BL Components is prepared to "go it alone" with the new Leeds foundry after failing at the first attempt to arrange a partnership project with two of the biggest companies in the private sector aluminium foundry business. They are Birmid Qualcast and Associated Engineering's subsidiary company Aeroplane and Motor.

Meanwhile, new talks are being held between BL Components and possible partners among the foundry companies. BL Components is hoping still to attract partners from the private sector.

The aluminium foundry industry feels slighted by BL's selective approach to prospective partners, and the decision to expand without outside help if necessary.

"We were presented with a fait accompli," said Mr. Peter Adams, secretary of the Light Metal Founders' Association. The association represents 80 per cent of the total British output of 120,000 tonnes a year of aluminium castings from about 400 foundries.

At the heart of the matter is whether car producers, as they re-vamp to adopt new production methods and materials, are going to integrate vertically to keep as many of the new techniques as possible under their own control.

Reliance

While Henry Ford I liked to keep his production under his own roof the British car industry has developed a high degree of reliance upon component suppliers.

Even Ford at Dagenham, which for many years used to produce its own iron for engines from a Thameside blast furnace, now buys-in castings from foundries.

But the growing use of aluminium castings for major components such as engine blocks, heads, and gearbox castings, is giving car makers a new opportunity to reassume control of basic production areas.

Aluminium foundries are now highly automated. Using the latest injection systems car companies are able to manufacture casting for themselves without unreasonably high capital outlay.

The aluminium foundries believe they have a strong case for handling BL's extra aluminium castings needs. The industry is working at only about 70 per cent capacity—largely due to declining car output in Britain.

Five years ago (when cars were using, on average, less aluminium than today's models) the castings industry had its peak year with sales totalling 145,000 tonnes.

The industry is hungry for work. The companies believe they are better equipped in both techniques and skills to handle new engine castings than BL can hope to be.

Why have the foundry companies so far not taken up BL's partnership offer? The straight answer is that the foundries lack confidence in BL's Components' manufacturing plans and in the future of BL Cars.

Turnover

They argue that BL's future car output is a highly debatable figure and a fixed investment on a big foundry to serve the company is difficult to justify.

Secondly, the newly-proposed Leeds foundry will have a castings capacity of 13,000 tonnes a year. That will represent a turnover of about £22m a year at present prices. The foundries say that such a level of turnover is too low on a £25m investment.

BL counters that it will continue to follow its traditional policy of making a large amount of its castings—both iron and aluminium—in its own plants because that is the cheapest and most efficient way of doing things.

It estimates that the proportion of aluminium engine castings it takes from "in house" plants will rise from the present 50 per cent of requirements to about 60 per cent by 1987.

It also foresees an export potential from its new aluminium castings plant. The private sector foundries are sceptical, pointing out that freight costs prohibit the transport of aluminium castings for sale at great distances from the manufacturing point.

The already spirited argument between BL and aluminium foundries is being further fuelled by tranches of public money.

The BL plant at Leeds is, to all intents and purposes a Government investment. But the Government has also agreed to help in the modernisation of the non-ferrous foundry industry by making a £26m contribution towards new private sector investments totalling more than £100m.

A proportion of that assistance will be for the improvement of aluminium casting facilities. It is not possible to say exactly how much, because many non-ferrous foundries handle a range of metals, such as aluminium, zinc, brass and bronze.

The aluminium foundries are based in the Midlands. The companies there feel that they will not be justified in proceeding with the new investment programme in full, as agreed with the Government, if BL withdraws a proportion of its work to the new Leeds foundry.

New deal likely on Concordes

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AIRWAYS and the Government are believed close to an agreement on refinancing the fleet of Concordes, relieving the airline of the heavy burden of annual depreciation charges.

The corporation has five Concordes in service, bought for about £150m. Its last annual report showed that in 1977-78 Concorde lost £17m, of which about £15m was due to depreciation, with only £2m lost on direct operations.

It is understood that subsequently, with growth of business on the North Atlantic, the airline has made direct operating profits with Concorde, though because of depreciation charges the overall result is a loss.

British Airways, while praising Concorde, has never made any secret of its desire to be rid of the depreciation charges, and Sir Frank McFadzean, the chairman, indicated last year that discussions with the Government were under way.

While details of the proposed agreement have still to be settled, it is understood that original suggestions of a "Concorde Corporation" that would take over the aircraft and lease them to British Airways have been substantially modified.

What is now being considered is a simpler refinancing deal which would not only remove from the airline the burden of depreciation charges, but also enable it to take over the two unsold Concordes of the UK assembly line.

What to do with these aircraft has been a problem facing the Government for some time.

One has flown already, and is kept on a "care-and-maintenance" basis at Filton, near Bristol. The other is due to fly this spring.

With seven Concordes at its disposal, British Airways would need to expand its leasing activities, along the lines of that with Braniff Airways of the U.S., which enables Concorde subsonic flights from Washington to Dallas-Fort Worth in Texas to start this Friday.

British Airways is holding talks with other airlines in the U.S., the Middle East and Africa, and hopes that similar deals to the Braniff arrangement will be settled this year.

It also hopes that the Braniff deal will lead to a substantial increase not only in annual utilisation of the aircraft in terms of hours flown, but also of interest from other U.S. airlines, such as Pan American.

In the meantime, the aircraft was given its formal U.S. Certificate of Airworthiness by the Federal Aviation Administration, in London and Paris, clearing the way for this Friday's start to the joint services with Braniff between Washington and Texas.

It was disclosed yesterday that British Aerospace, spending its own money, has developed a new air intake for the Concorde's engines that will improve performance by cutting fuel consumption by up to 1,000 kilogrammes on a long-haul flight.

This means that Concorde can fly further for the same fuel load. It is expected to revolutionise the economics of the Concorde service between Bahrain and Singapore, adding perhaps as many as 35 passengers to the permitted load out of Singapore at the hottest time of year.

Iran crisis shows vital need for coal—Benn

By Robin Reeves, Welsh Correspondent

EVENTS IN Iran underline the importance of fostering Britain's coal industry, Mr. Anthony Wedgwood Ben, the Energy Secretary, said in Cardiff yesterday.

He was speaking before the second series of meetings of Coal Industry Tripartite Group on the future shape of the South Wales coal industry.

The study is due to be completed by the middle of next month, and there is widespread concern in South Wales that it could lead to a round of pit closures.

Earlier this week, Sir Derek Ezra, the National Coal Board chairman, confirmed the South Wales coalfield is likely to lose about £30m.

The latest accounts showed an increased loss of £3m on 1977-78 in spite of a 4 per cent production increase and an 8.6 per cent rise in output per man.

South Wales has not shown an operating profit since 1970, though since the 1974 Coal Plan, the area has received £90m in major investment schemes.

Mr. Benn stressed that, whatever the conclusions of the tripartite study, there was no question of repeating the mass pit closures programme carried out in the 1960s.

He hinted that further marketing subsdies could be eventually in the offing. The £17m Government grant to increase the coal burn in power stations this winter, for instance, had saved the Treasury about £50m in interest charges on coal stocks and another £50m in imports.

● The European Coal and Steel Community has made grants worth £6.2m to assist British coal and steel industry workers. Of this, £4.67m will go to 3,767 miners whose pits were closed last year.

Spending on durables declines

BY DAVID FREUD

SPENDING ON durable goods has dropped steadily since the summer, suggesting some decline in consumer confidence.

Altogether, however, retail sales rose slightly in November from the level of the previous two months, but remained below the near-record totals of the late summer.

Figures from the Department of Trade yesterday showed that the final index of the volume of retail trade in November stood at 109.9 (1971=100).

That was near the provisional estimate of 109.5 and compares with 109.6 for October and 109.5 for September.

Sales of durables, after a high point in July, were 2 per cent down in the September-to-November quarter compared with the previous quarter.

Durables sales are widely considered one of the best ways of gauging consumer confidence, so the retail sales boom might be tailing off.

Other sectors suffered less. Sales by food shops in September-November was only 0.3 per cent below the level of the previous quarter, while the comparable drop in sales by clothing, footwear and other non-food shops was 1 per cent each.

Although the index fell from its summer high of 111.8, sales in the first 11 months of the year were 5.1 per cent above those of that period in 1977.

Retailers' predictions of a 5 per cent gain for 1978 should thus be comfortably exceeded.

However, retailers are less optimistic on the outlook for this year and predict only a 3 per cent increase for 1979

New credit extended by retailers and finance houses rose by £36m in November, seasonally adjusted.

Total debt outstanding to finance houses and retailers increased by £74m in November to £4.2bn (not seasonally adjusted), 30 per cent more than a year before.

HIRE PURCHASE CREDIT AND RETAIL SALES
(Seasonally adjusted)

	New credit-extended by		Total debt outstanding (unadjusted)	Retail Volume (revised)	
	Finance Houses	Retailers		Total	Durable goods shops
	£m	£m	£m	(1970=100)	
1976 1st	340	493	2,349	105.9	117
2nd	382	490	2,424	106.9	122
3rd	392	521	2,516	107.3	125
4th	421	547	2,716	105.9	124
1977 1st	457	550	2,792	103.3	116
2nd	486	561	2,930	102.5	118
3rd	544	605	3,108	104.3	121
4th	585	604	3,341	104.4	121
1978 1st	626	634	3,507	106.3	125
2nd	716	617	3,797	108.0	129
3rd	701	726	4,030	110.8	135
March	[illegible]	201	3,507	107.0	117
April	231	232	3,594	106.7	132
May	243	228	3,689	108.4	126
June	242	217	3,797	108.7	130
July	213	245	3,831	111.4	138
August	252	241	3,953	111.8	134
September	236	240	4,030	109.5	133
October	242	227	4,109	109.6	131
November	262	243	4,238	109.9	129

Source: Department of Trade

Euro-Tories issue call for trouble-spot troops

BY ELINOR GOODMAN, LOBBY STAFF

MEMBERS OF the EEC should co-operate in setting up a special emergency brigade of troops which could be sent to the world's trouble spots, says a policy statement published yesterday by a group of Conservative pro-Europeans. The idea was one of a number for increasing collaboration on defence between the Nine.

It was included in a booklet which the Conservative Group for Europe hopes will become official Tory policy for the European elections on June 7. In it, the group also suggested ways of speeding up the community's decision-making and improving its credibility.

The group argued that unless the EEC was given more responsibility for policy and defence, it would be reduced to no more than a trading club. It was inconceivable that a community which was developing common trade policy should not eventually have a common security policy.

Defence Ministers of the Nine should set up a study group to report within two years on the feasibility of the community's making a joint contribution to the Atlantic Alliance, and of setting up a "Euro-force" of brigade strength to deal, when requested, with natural and man-made disasters outside the NATO area. Mr. Derek Prag, who helped produce the pamphlet, said that this force could be used in situations like the invasion of Zaire last year.

There was also concern that the community tended to be better at talking about things than actually making decisions. It suggested that a time limit should be put on the Council's decisions. If the Council failed to reach a decision within six months to a year the European Parliament should be asked to decide. For the same reason it proposed the appointment of a senior politician as a co-ordinating Minister for the Council of Ministers. His job would be to act as the Council's progress chaser and ensure that things were not delayed unnecesarily.

Foreign Policy and Defence: A Role for Europe. Price 50p.

Shetland probe of Sullom Voe oil spillage

SHETLAND ISLANDS Council has set up a sub-committee of four councillors to investigate the recent oil spill at Sullom Voe and the methods used in containing and clearing the 1,100 tonens of bunker fuel oil from the damaged tanker, Esso Bernicia, which has polluted miles of Shetland coastline.

The spillage was originally contained within inflatable plastic booms but when the pump keeping the booms filled with compressed air broke down, oil escaped into the Voe and Yell Sound. A wide area around the £313m terminal, which is still not fully completed, was polluted.

Company failure rate down by 27%

COMPANY FAILURES fell by nearly 27 per cent in 1978, to 1,445, compared with 1,970 in 1977, according to figures issued yesterday by Trade Indemnity, the credit insurance operation.

The largest reductions were in furniture and upholstery where failures dropped by almost 33 per cent, and in textiles and clothing which experienced a 31 per cent fall

There were also fewer failures in most sub-categories although there was a deterioration in the case of building sub-contractors, constructional and civil engineers, hosiery and knitwear manufacturers and interior decorators and furnishers.

There was a marked improvement at the retail/wholesale end of the clothing and furniture trades, where failures dropped by 37 per cent and 46 per cent respectively.

The fourth quarter of 1978 saw the lowest number of failures in the year—308—with 359 in the third quarter, 340 in the second and 438 in the first quarter. The 1978 total is the lowest since 1969 when this series of statistics was first started.

The only exception to the general trend throughout was engineering and metals where 47 failures were notified in the final quarter compared with 45 in the previous quarter

Accountants attack EEC order

BY JOHN MOORE

THE UK accountancy profession yesterday launched an attack on the unduly "prescriptive" approach of an EEC directive concerning the qualification of auditors within the Community.

UK accountants are worried that undue specialisation in auditing at the professional education and training stage and in the practice of accountancy could damage the profession.

Separate licensing of an individual activity within the range of services of a profession could, if too narrowly applied, undermine the unity of the profession, they contend. "If that happened, its strength and influence would diminish together with the contribution which it makes to the commercial life of the world community."

Four of the recognised accounting bodies (the Institute of Chartered Accountants in England and Wales, the Institute of Chartered Accountants of Scotland, the Institute of Chartered Accountants in Ireland, and the Association of Certified Accountants) have submitted a 44-page memorandum to the Department of Trade criticising details of the eighth directive.

The Department of Trade is "invited" to consider certain practical problems in implementing the proposed directive, and their possible solution.

But although they criticise points of detail and application, UK accountants agree that it is desirable to establish a minimum level of qualification of auditors in the EEC.

They "support the general objectives of the proposed directive and believe that it will provide a foundation for the eventual mutual recognition" of qualifications and for greater freedom to practice as auditors in other countries in the European Community.

SE reports on share inquiry

BY NICHOLAS COLCHESTER

A SPECIAL Stock Exchange committee investigating alleged share price rigging presented the SE Council yesterday with a second report.

Like the first, involving the Piccadilly Unit Trust Group, the report will be forwarded to the City Police and to the Department of Trade. It is understood that the new findings will lead to disciplinary action by the Exchange.

Stock Exchange officials would not discuss in detail the content of the new report because of the legal problems implicit in the contents. It is probable that the Stock Exchange will make no further public disclosure of the contents for at least a fortnight.

The first report, which led to the resignation of the investment director of the Piccadilly Unit Trust Group, involved alleged price manipulation achieved by trading unmarketable securities in unmarketable amounts by means of "put-throughs"—deals where both seller and buyer are lined up in advance.

It is understood that the new report involves other securities beyond the nine mentioned in the first reports. But while the alleged malpractices are said to be linked to those shown up earlier, they are of a different nature.

No wide abuse has been revealed, apparently. The activities involve what a Stock Exchange official described as a "limited but industrious number of participants."

The SE Council is still considering what action to take on the latest findings.

The council also studied preliminary proposals for the tariff structure for Talisman, the new electronic settlement system.

It is expected that a final decision on the scale and allocation of these charges will be taken at the council's meeting in two days' time.

The following Tombstone announcements were published in the Financial Times during December

BONDS

	Publication date
Götabanken US$25,000,000 Floating Rate Capital Notes Due 1988 S. G. Warburg & Co. Ltd. and *others*	5/12/78
Bahattin Goren Co. US$4,500,000 Guarantee Facility for Kirkuk/Adhaim Irrigation Project *Allied Bank Int. and others*	6/12/78
Norges Kommunalbank Luxembourg Francs 500,000,000 8% Bonds due 1986 Kredietbank S.A. Luxembourgeoise and others	6/12/78
Hitachi Zosen Kabushiki Kaisha DM 50,000,000 5¾% Bonds due 1983 Westdeutsche Landesbank Girozentrale and others	6/12/78
Sundsvallsbanken US$20,000,000 Floating Rate Capital Notes Due 1985 Credit Suisse First Boston Ltd. and others	6/12/78
***United Mizrahi* International Investments N.V.** US$10,000,000 Floating Rate Notes Due 1983 Private Placement *Creafin S.A. Zurich*	7/12/78
Norsk Hydro A.S. US$50,000,000 9½% Bonds 1994 Hambros Bank Ltd. and others	7/12/78
Sveriges Investeringsbank Aktiebolag 9½% Bonds due 1985 Credit Suisse First Boston Ltd. and others	8/12/78
***General Motors* Acceptance Corporation** 9% Notes due 1984 Morgan Stanley & Co. Inc. and others	11/12/78
***Compagnie Nationale* Algerienne de Navigation** Kuwaiti Dinars 10,000,000 8½% Guaranteed Bonds due 1990 Kuwait Foreign Trading *Contracting & Investment Co.* (S.A.K.) and others	11/12/78

	Publication date
Republic of Panama Kuwaiti Dinars 6,000,000 8½ per cent Notes due 1990 Kuwait International Investment Co. s.a.k. and others	12/12/78
Osterreichische Kontrollbank Aktiengesellschaft DM 100,000,000 6¼% Deutsche Mark Bearer Bonds of 1978/1988 Deutsche Bank and others	14/12/78
Sonatrach US$140,000,000 Guaranteed Bonds due 1992 Credit Lyonnais and others	14/12/78
Occidental International Finance N.V. DM150,000,000 6¼% Bonds due 1990 *Westdeutsche* Landesbank Girozentrale and others	14/12/78
***European Coal and* Steel Community** US$40,000,000 Notes due 15th December 1990 Daiwa Europe N.V. and others	19/12/78
Sharp Corp. DM150,000,000 3¼% Convertible Bonds due 1988 Westdeutsche Landesbank *Girozentrale and others*	19/12/78
Ennia N.V. Dfls 100,000,000 8¼% Bearer Bonds 1978 due 1979/1988 Amsterdam-Rotterdam Bank N.V. and others	19/12/78
BfG Finance Co. B.V. US$100,000,000 Floating Rate Notes 1989 European Banking Co. Ltd. and others	20/12/78
City of Oslo Kuwaiti Dinars 10,000,000 7¼% Bonds due 1990 Kuwait International Investment Co. s.a.k. and others	21/12/78

	Publication date
Federative Republic of Brazil DM 150,000,000 7¼% Deutsche Mark Bearer Bonds of 1979/1987 Deutsche Bank and others	21/12/78
New Zealand DM 200,000,000 6¼% Bearer Bonds of 1979/1987 Commerzbank *and others*	21/12/78
Banque Nationale d'Algérie US$25,000,000 Floating Rate Notes 1985 The Nomura Securities Co. Ltd. and others	22/12/78
European Investment Bank AS 400,000,000 *Austrian Schilling Bearer* Bonds 1978/86 Creditanstalt-Bankverein and others	22/12/78
Commonwealth of Australia Y50,000,000,000 Japanese Yen Bonds—Series No. 3 (1978) Y30,000,000,000 *Five Year 5.6%* Bonds due 1983 Y20,000,000,000 Ten Year 6.5% Bonds due 1988 The Nomura Securities Co. Ltd. and others	22/12/78
Union Bank of Finland Ltd. DM 50,000,000 6¼% Subordinated Bonds due 1988 *Westdeutsche* Landesbank Girozentrale and others	28/12/78
Beecham Inc. $65,000,000 Guaranteed Notes due August 1, 1999 Goldman, Sachs & Co. and Hill Samuel Securities Corp.	29/12/78

LOANS

	Publication date
The Hashemite Kingdom of Jordan US$40,000,000 Projected Related Medium *Term Loan* Arab African International Bank-Cairo and others	5/12/78
Andelsbanken Danebank *US$ 18,000,000* Medium Term Loan London & Continental Bankers Ltd. and others	6/12/78
Aerolineas Argentinal *$196,000,000* Medium-Term Financing $155,000,000 Floating-Rate $41,000,000 Fixed Rate Morgan Guaranty Trust Company	6/12/78
Acerlan S.A. de C.V. US$7,500,000 Medium Term Loan Libra Bank Ltd. and others	6/12/78
Sonatrach US$16,000,000 Medium Term Credit Facility Banco do Commercio e Industria de Sao Paulo S.A. and others	6/12/78
Banco Central del *Uruguay* $85,000,000 Medium Term Credit Bank America Int. Group and The Bank of Nova Scotia Group	7/12/78
Republic of Costa Rica $70,000,000 **Banco Central de Costa Rica** $110,000,000 Bank America Int. Group and others	7/12/78
A/S Eksportfinans US$55,000,000 Term Loan Due 1988 Merrill Lynch Int. & Co. and *others*	7/12/78
The Federal Republic of Nigeria US$750,000,000 8 year Multicurrency Loan Dresdner Bank Aktiengesellschaft and others	7/12/78
Investiciono Komercijalna Banka-Osnovna Banka Split *US$745,399* 7 year Loan Marine Midland Bank	8/12/78
Banco Nacional de Desarrollo US$40,000,000 Complementary Loan Financing Marine Midland Bank and others	8/12/78
Finansieringsinstituttet Industri & Handvaerk A/S DM 20,000,0000 Medium Term Loan Commerzbank Int. and others	8/12/78
Dansk Eksportfinansieringsfond DM 75,000,000 Medium Term Loan Commerzbank Int. and others	8/12/78

	Publication date
Udruzena Beogradska Banka Vojvodjanska *Banka-Udruzena Banka* $21,000,000 *9 year Loan* Loeb Rhoades, Hornblower Int. Ltd. and others	11/12/78
Empresa Nacional de Electricidad S.A. *US$25,000,000* Ten year floating rate loan Banque Bruxelles Lambert and Banque Louis-Dreyfus	12/12/78
British Gas Corp. US$250,000,000.00 10 year Stand-by Credit facility *for Commercial Paper* Barclays Bank International Ltd. and others	13/12/78
Pioneer Concrete Services Ltd. A$25,000,000 Term Loan and Banking *Facilities* Hambro Australia Limited and others	13/12/78
Picon International B.V. US$25,000,000 Medium Term Multi-Currency Loan Hambros Bank Limited	13/12/78
CNP DM 25,000,000.00 Medium Term Loan Bayerusche Vereinsban International Société Anonyme and others	14/12/78
Office Cherifien des Phosphates US$150,000,000 Medium Term Loan *Banque Marocaine du Commerce* Exterieur and others	14/12/78
The Kingdom of Swaziland US$28,000,000 Medium Term Loan Citicorp International Group and others	
***Banco de Fomento* Nacional** US$90,000,000 Medium Term Loan American Express Bank *and others*	14/12/78
African Development Bank US$150,000,000 Multicurrency Term Loan Credit Suisse First Boston Ltd. and others	14/12/78
Sonatrach US$667,000,000 Export Credits Export Development Corp. and Toronto Dominion Bank	14/12/78
Sonatrach US$210,000,000 *Medium Term Loan* Amsterdam-Rotterdam Bank N.V. and others	14/12/78

	Publication date
Kansas City Power & Light Co. US$50,000,000 Term Loan *Merrill Lynch International* Bank Ltd.	15/12/78
Qatar Petrochemical Co. S.A.Q. US$175,000,000 Term Credit Facility Lloyds Bank International Ltd. and others	15/12/78
Dirección Nacional de *Vialidad* US$70,000,000 Ten Year Loan The Bank of Tokyo Ltd. and others	18/12/78
Toltecа Group US$100,000,000 Term Loan Libra Bank Limited and others	18/12/78
Banque Nationale D'Algerie US$50,000,000 Medium term loan Credit Agricole and others	18/12/78
Metro US$200,000,000 Medium Term Financing Banco do Estado de Sao Paulo S.A. *and others*	20/12/78
Metro US$60,000,000 Medium Term Financing Banco do Estado de Sao Paulo S.A. and others	20/12/78
Privredna Banka Zagreb US$18,000,000 Eight Year Term Loan Midland Bank Ltd. and others	20/12/78
Industrial Minera Mexico S.A. US$200,000,000 *10 year term loan* Manufacturers Hanover Ltd.	21/12/78
Banco Central de Chile US$370,000,000 Medium Term Loan Manufacturers Hanover Ltd. and others	21/12/78
Banque Nationale D'Algerie Y10,000,000,000 Floating Rate Loan The Sumitomo Bank Ltd. and others	21/12/78
Azevedo Campos s.a.r.l. US$3,500,000 Medium-term loan American Express Bank and others	21/12/78
Svenska Petroleum AB US$100,000,000 *Medium Term Loan Facility* The Chase Manhattan Bank N.A. and others	22/12/78

OTHERS

	Publication date
Royal Bos Kalis Westminster Group N.V. 354,693 registered shares AMRO Bank and others	2/12/78
Dana Corporation $100,000,000 8¾% Debs. due 2008 *Merrill Lynch White Weld* Capital Markets Group *and others*	6/12/78
Province of Ontario $250,000,000 30 year 9¾% Debs. due 2008 Salomon Brothers and others	6/12/78
Bank of Baroda $20,000,000 Floating Rate Certificates of Deposit due 1981 Citicorp Int. Group and others	11/12/78

	Publication date
American Airlines Inc. $131,774,000. $41,000,000 Equipment Trust Certificates due June 1, 1989 $90,774,000 Equipment Tst. Certs. due June 1, 1994 Bankers Trust Co.	12/12/78
Sears, Roebuck and Co. $625,000,000 Five year Commitment to Purchase Customer Accounts Receivable *Continental Illinois Corp.* and others	
The Hongkong Land Co. Ltd. HK$600,867,180 8% Unsecured Loan Stock 1984/93 Jardine Fleming & Co. Ltd. and Wardley Ltd.	15/12/78
True Temper Corp. $12,500,000 Senior Notes due 1993 Smith Barney, Harris Upham & Co.	19/12/78

	Publication date
The Southland Corp. $50,000,000 9¾% Sinking Fund Debentures due December 15, 2003 Goldman Sachs & Co and others	21/12/78
E.B.E.S. BF 2,500,000,000 Guarantee Facility Société Générale de Banque and others	22/12/78
American Can Co. *$125,000,000* 9¾% Notes due June 15, 1984 Salomon Brothers and others	28/12/78
Dorchester Gas Corp. $35,000,000 Subordinated Notes due 1993 Warburg Paribas Becker	28/12/78
UNC Resources Inc. $35,000,000 12% Subordinated Debentures due 1998 The First Boston Corp. and others	28/12/78

UK NEWS — LABOUR

TRANSPORT DRIVERS' STRIKE PARALYSES BRITISH INDUSTRIES

Big lay-offs expected soon

BY OUR INDUSTRIAL STAFF

HUNDREDS OF thousands of workers throughout Britain are expected to be laid off within the next week or so as the lorry drivers' strike intensifies.

Few industries have escaped severe shortages of raw *materials and difficulties in dis*patching finished products.

The effects, although limited in the South-west, have been worse in the North-west, where picketing has intensified.

They follow a week's disruption caused by the petrol tanker *drivers' strike at depots in Man*chester and Merseyside. Textile employers there said that up to 30,000 workers will be laid off next week.

Industry in the West Midlands might halt soon, with up to *750,000 workers idle, the Con*federation of British Industry says. In Northern Ireland the CBI said that it knew of at least 10,000 lay-offs and the number is growing.

Condemned

The London Chamber of Com*merce and Industry estimates* that if the dispute continues, 100,000 workers might be laid off there by the end of this week.

Scotland also faces thousands of lay-offs. Contingency plans *are being made to shut com*panies if the supply of raw materials becomes more difficult.

Sir John Methven, CBI director-general, condemned the unofficial action and the blockades by strike pickets at ports and outside factories. He said *that the* Transport and General Workers' Union was not taking *responsible* action and should get members back to work.

Imperial Chemicals Industries, severely affected, said that it would "have to consider the position" of some of its 90,000 UK employees if the *strike continues after* this week. Such an event would accelerate plant closures.

ICI estimated that by the end of this week, half its home and export sales would *have been* lost through the strike. It fears *the permanent* loss of some European markets.

Supplies held up at ports and depots are also hampering Britain's 1½m small companies operating with *low* raw material stocks and without their own *lorries*.

Mr. Brian Kingham, chairman of the Association of Independent Businesses, said: "If the current disputes are prolonged and if *only one small firm in* a thousand goes out of business as a result, that means 1,250 firms could soon be making thousands of workers unemployed."

The picture nationally was: **London and South-East:** *Big* employers, including the food, paper, raw material and metal working industries are worried about supplies.

Ford said that components deliveries had been disrupted but the factories were maintaining production "and looking at the situation on a day-to-day basis."

Midlands—Mr. Reg Parkes, CBI regional chairman, said that *reports from member companies* suggested that the effects of the disputes might increase quickly within 48 hours. Raw materials and oil were short and finished goods unable to be dispatched were building up.

The Midlands, with its heavy concentration of engineering and metal industries, has been particularly affected by steel shortages caused by picketing at British Steel Corporation plants.

MR. WILLIAM WHITELAW, Tory deputy leader, said yesterday that the Government should have declared a state of emergency to meet the strike crisis—because the life of the community was threatened. He said that the Government did not appear to be in control of events.

Mr. Eldon Griffiths, Tory MP for Bury St. Edmunds, said that the strike could *cripple the farming industry* and lead to food shortages and higher prices.

CBI companies were worried about exports. Some will soon face penalty clauses.

S. Wales and S.W. England:—All UK tinplate production is likely to halt unless the strike *is settled by the week-end.*

Picketing at the British Steel Corporation's tinplate works at Ebbw Vale, Trostre and Velindre has prevented finished supplies from leaving the works.

*Elsewhere in the Corpora*tion's Welsh division, picketing has not yet affected output. Strikers are exempting goods carried in companies' own vehicles.

In the South-West, pickets at Avonmouth agreed to let through animal feed to prevent mass *slaughtering of* poultry and pigs.

North of England: Large sectors of industry expect to close within 10 days.

The British Textile Employers' Association says that many of its members' mills are unable to obtain supplies of *yarn and other* raw materials.

Pickets outside a Pickford removal depot in Liverpool are preventing some hospital patients from receiving treatment.

In engineering, 5,000 workers *are idle, including* 2,000 at the diesel engine manufacturers, Gardners of Patricroft, where supplies of heating oil have run out.

In Yorkshire, British Steel Corporation drivers have joined the strike. Picketing is heavy at chemical complexes.

In the North-east, shipyards are concerned that oxygen supplies might end.

Scotland: The strike has had a limited effect on industry, with many companies working below peak capacity, having stocked up *in advance with materials.* However, the Fraserburgh fish processors D. A. Macrae had to close, laying off 400 people.

The Freight Transport Association, whose members are companies running their own transport fleets and are not directly affected, said that *picketing* difficulties were irregular.

Ulster: The fuel shortage should ease soon after a decision by Esso drivers to return to work.

Cargoes pile up in the docks

BY LYNTON McLAIN

CARGOES UNLOADED at Britain's ports remained on quaysides in the face of intense picketing by lorry drivers yesterday.

A third of the 300m tons of port traffic in Britain each year, particularly general cargo and manufactured goods, is carried by lorry.

The balance, mainly fuel and dry bulk cargoes of grain and ore, is handled by pipeline, rail and coastal shipping and is unaffected by the drivers' strike.

The 19 ports run by the *British Transport Docks* Board operated as acres of open and closed warehouses.

At **Hull**, four 24 ft freight containers loaded with Continental butter were *left* beside a berth. At **Goole**, congestion built up amid *limited storage space* and at **Felixstowe**, the docks company said that cargo handling had come more or less to a standstill.

Immingham, which would normally handle more than *a tenth of Britain's fuel needs* and 24m tons of paper, ore, chemicals, steel, food, cars, trailers and roll-on, roll-off traffic each year, was dominated by pickets. No road traffic moved in or out.

Storage

A vessel for storing and processing frozen fish was working at Grimsby and local merchants have had access to fish stocks, but a vessel loaded with frozen *meat* was unable to unload.

Newport, South Wales, suffered congestion but **Cardiff, Port Talbot, Swansea and Barry** were less affected by lack of storage space.

Swansea port was cut off from lorry traffic, but steel and iron ore kept moving by rail.

Geest banana boats unloaded at Barry, but the boats may be diverted if the strike continues.

Roll-on, roll-off ferries have also suffered. North Sea Ferries suspended its Norland and Norstar daily service from Hull to Rotterdam. The ships can carry up to 120 vehicles but the strike has cut loads to uneconomic levels.

At **Garston, Merseyside**, trade with Northern Ireland was at a standstill although ships were unloaded.

The **Port of London**, which handled 14 per cent of Britain's port trade by value last year, *handled ships normally.* Space remained for exports where those were allowed through the strong pickets at **Tilbury**.

At **Southampton**, BL cars for export have been turned away, but foreign car imports have continued.

Food industry grinds to a halt

BY CHRISTOPHER PARKES

SUPPLIES of sugar to the British food industry have virtually dried up, the *Food* Manufacturers' Federation said *last night.* The *soft* drinks industry, for example, is expected to close down tomorrow because of the shortage of sugar, carbon dioxide and bottles. "They've got the water, but that's about all," a *spokesman* said.

The cake and biscuit industry *continued to grind to* a halt as the shortages, particularly of edible fat and oil, affected more factories.

The British Sugar Corporation, which refines UK-grown sugar beet, said its deliveries had been cut by 50 per cent. Tate and Lyle, the imported *cane sugar processor, was* concentrating on supplying London customers.

On Merseyside, the company was delivering only to hospitals and industrial chemists. A leading jam company was said to have enough stocks for only *one or two days.*

Many shoppers could not buy salt and there were also scattered reports of local shortages of frozen poultry and fresh fish.

The big frozen food companies were reported to be *snapping up landings of cod and* haddock to keep their production lines moving.

But our Grimsby correspondent reports that fleets of small vans and pick-ups have been beating the strike and taking supplies of fish to markets inland.

The pet food industry *is also* in danger of closing down soon *because of a shortage of cans* and offal.

● The *Price Commission's* latest reports on fresh food prices shows that in the three months to November the price index fell 1.7 per cent. This was due almost entirely to lower apple prices, *but meat prices* stayed unchanged for the first time since spring, 1977.

● **PETROL**—Motorists found it marginally easier to obtain petrol yesterday, but there were still long queues at many garages.

The Royal Automobile Club *said last night that demand for* petrol had eased following the decision of tanker drivers and depot workers at Shell and Esso to accept pay offers—but Merseyside, Manchester and North London were still badly hit.

● **BUSES**: Companies throughout the country continued to operate reduced services yesterday.

Peak-hour services were being maintained in England and Wales, but some evening services were withdrawn. There were also reduced daytime off-peak services.

● **SCHOOLS:** Throughout the country they continued to be *badly affected yesterday by* the shortage of heating oil caused by the tanker drivers' dispute. Many more have closed since Monday and in the worst hit areas over one-third were shut.

In Strathclyde, 460 schools and colleges closed, affecting over 200,000 students and in *Manchester,* 83 *of the* 160 schools closed, affecting about 80,000 children. In Sheffield, 65 of 105 oil-heated schools were shut, affecting almost 20,000 pupils. Over 300 schools have closed in Ulster.

● **SHOPS:** Big supermarkets reported some easing of demand for groceries from housewives yesterday following the panic *buying* at the week-end. Both J. Sainsbury and Tesco, which between them have over a quarter of the grocery market, were able to restock their shelves over the week-end which means most stores have sufficient goods to meet demand.

Provincial Press talks break down over pickets

BY ALAN PIKE, LABOUR CORRESPONDENT

PEACE TALKS in the five-week-long provincial journalists' strike broke down yesterday in a dispute with the National Union of Journalists over the effects of picket action.

A pay settlement totalling 14.5 per cent was reached, however, with the non-striking Institute of Journalists.

The NUJ and the Newspaper Society, which represents the provincial employers, met to discuss a new pay offer for several hours on Monday night and agreed to resume negotiations yesterday.

However, the society—which had sought NUJ assurances that pickets would be reduced as a condition for opening negotia*tions—withdrew from yester*day's session because it believed excessive picketing was still in progress.

The NUJ responded by accusing the employers' organisation *of sabotaging the peace talks.* "The society must be desperate not to negotiate with us," said Mr. Ken Ashton, general secretary. "In the space of 24 hours we made considerable progress in scaling down picketing as a *gesture to restart talks.*"

Mr. Ashton claimed that one of two picket lines about which the employers had complained *proved to be a lorry drivers'* picket.

Union leaders left Monday night's talks having rejected an offer improved by 0.45 per cent to 13.5 per cent. *Talks* were to have been resumed last *night, however.*

Last night's settlement with the Institute of Journalists provided for a 14.6 per cent increase on the editorial wages bill compared with an original *8 per cent at the start of* negotiations. This would increase provincial journalists pay by between £9.40 a week and £14.43. The largest group of qualified journalists after five years would receive an average *18.8* per cent increase on basic rates to £83 a week.

Mr. Bob Farmer, general secretary of the IOJ said that the agreement also provided for further local negotiations.

● Mr. Duke Hussey, chief executive and managing director of Times Newspapers, yesterday attacked *NATSOPA*, one of the biggest print unions, for refus*ing to allow secret ballots* among its ancillary trades members.

Unions want to end public spending curb

BY PAULINE CLARK, LABOUR STAFF

TWELVE leading public-sector unions united yesterday to call for an end to cash limits and to the secrecy in which major decisions on public expenditure are made.

The unions, which have begun a campaign for close trade union and other public involvement in public-service planning, and for Parliamentary surveillance of spending plans, attacked the system for giving priority to financial constraints.

Decisions should be reached rather on the basis of quality of service and the implications for employment, they say.

In their *proposals* for democratic planning of public services, the unions, representing 3.6m workers, open a probably long-term battle for radical changes in economic priorities.

Their document, *Behind Closed Doors*, by the unions' National Steering Committee *Against Cuts, is* designed as a guide for TUC leaders, said already to have made progress in discussions with the Treasury on more democratic planning.

Public-sector pay does not figure explicitly in the proposals. Wages will be highlighted in coming weeks when leading unions in the sector co-ordinate plans for confrontation on pay with the Government.

The report attacks the whole system of cash limits for having "no defensible role in a balanced, democratic system of planning."

The proposals place emphasis on need for public debate on planning, and for consideration to be given to impact of decisions on public services.

"If increased infant mortality is to be the price for keeping within the forecast public-sector borrowing requirement, it is preferable that the implication be openly recognised."

Editorial Comment, Page 14

Print union merger move may widen split—or herald unity

BY CHRISTIAN TYLER, LABOUR EDITOR

PRINT UNION members finish voting this week on a merger whose success or failure will have important implications for newspapers, general printing and advertising agencies.

Members of the process workers' union, SLADE, finished their ballot yesterday on merger terms with the 108,000-member *National Graphical Association.*

While the NGA's ballot is likely to show a majority in favour, that of the 25,500 SLADE members is less pre*dictable. The result is expected* early next week.

Also involved is the small National Union of Wallcoverings, Decorative and Allied Trades, which has fewer than 4,000 members.

A SLADE-NGA merger would be an important step toward achieving the ambition of some print union leaders to forge a single print union eventually.

It would also be welcomed by print employers as likely to ease old demarcation problems.

The new union, to be known as the Graphic Arts Union, would probably soon enter talks with the Society of Graphical and Allied Trades (SOGAT) which itself is talking sporadically with the National Society *of Operative Printers,* Graphical and Media Personnel (NATSOPA).

The SLADE ballot has been conducted amid protest from *some members of its art union* section, who, virtually since the section was created in 1974, have campaigned against the policies and procedures of the *main union.*

This campaign has drawn public, Parliamentary, and even union criticism of SLADE's recruiting methods in art studios and advertising agencies, and prompted the Conservative Party *to announce that it would* set up an inquiry into the union if returned to office.

Leaders of a dissident "moderate action committee," whose degree of support within the art union is far from clear, have also campaigned against a merger with the NGA on the grounds that the interests of the Slade Art Union would be submerged in the new union.

Two members of the SAU have been to court to challenge proposals for drawing up *detailed rules and constitution* for the art union.

In one of two separate, but related cases they were successful. In the other their submission was redundant.

It became clear yesterday that *their threat to take legal* action against the merger ballot itself was unlikely to materialise, partly because of lack of funds.

SLADE believes the merger, for which Mr. John Jackson, its *general secretary,* and his colleagues have striven hard, could help resolve the embarrassing problem of the art union, which, for the moment at least, is in limbo.

At the same time it could be the signal for a new recruitment campaign and a bid to retrieve work that has been lost to traditional SLADE and NGA members over the years.

AUEW tells Rolls-Royce men to work normally

BY ALAN PIKE, LABOUR CORRESPONDENT

ROLLS-ROYCE *workers who are* disrupting the company with industrial action were yesterday told by their union to resume normal working.

The Amalgamated Union of Engineering Workers executive endorsed a pay offer to 1,500 workers at the company's Barnoldswick, Lancs, plant which was rejected by the men on Monday. An executive instruction will be sent to the strikers telling them to accept the offer and return to work.

The executive is also telling about 30,000 other Rolls-Royce employees operating an overtime ban in support of the eight-week-long Barnoldswick strike to resume normal working. All Rolls-Royce plants except Bristol and one Coventry factory are supporting the ban.

On Monday shop stewards successfully recommended the *Barnoldswick strikers to reject* a *new offer which* was intended to improve productivity earnings to compensate them for Government-imposed restrictions in their last annual pay award.

The Barnoldswick strike has until now been officially supported by the AUEW and the executive will review the position next week if the return-to-work instruction is ignored.

Tyne dockers continue strike

A PROPOSAL aimed at securing a return to work was rejected yesterday by 63 dockers employed by the Port of Tyne Authority, who have been on strike for a week over a manning dispute.

No date has been set for further meetings and the strike is likely to be made official.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● PROCESSES

Welding assemblies by laser

ADVANCES in the pulsing capability of carbon dioxide lasers are leading to dramatically improved production results, especially in welding and heat treatment.

Coherent is one of the technology leaders and some of its new techniques have already solved problems for battery manufacturers. The latter companies have had difficulty with both quality and cost when welding their products.

One task has been to seal, hermetically, a stainless steel cap to the case of a lithium battery with minimal heat effects on the contents of the battery. This can be accomplished with a coherent 275-watt Everlase industrial laser in the "enhanced pulse" mode, which achieves a welding speed of 30 inches per minute. Maximum penetration is 0.03 inch, with a weld width of 0.015-0.02 inch.

Another model can seal, hermetically, electrical feed-throughs to a lithium battery case, with minimal distortion and no damage to the feed-throughs or the contents. This method is attractive because there is only a small heat-affected zone and no special vacuum chamber is necessary. Penetration is 0.02 inch without inert gas shield, and a linear speed of 8 inches per minute can be achieved.

A higher-powered unit, the 525-1, offering 500 watts continuous power, had been used to heat-treat, selectively, rotating shafts of SAE 1060 steel through transformation hardening on the wear surfaces. It has achieved *a linear speed of 40* inches per minute with no part distortion due to the heat-treating process. *The depth of penetration* is 0.02 inch with a hardness of 62 (Rockwell "C"). The treatment is performed on finished components with minimal distortion. There is selective hardening of wear surfaces only.

Coherent (UK), 13 The Mall, Bar Hill, Cambridge, CB3 8DZ. Cambridge 68501.

Coating without solvent

NEW BUSINESS for Lankro—radiation-curing chemical—has been set up following an investment of £½m in research and development over the last four years. At the same time a range of speciality monomers, oligomers and systems for radiation curing surface coatings from present facilities is being introduced.

A big increase in production capacity is to come on-stream in Eccles, Manchester, by late 1979.

Radiation-curing chemicals business is growing rapidly due to environmental and energy-saving considerations. But it involves a high degree of technical and production expertise, and is not open to everyone.

Lankro Chemicals (Diamond Shamrock Europe) already known in the urethanes and polymer additives fields, will thus have radiation-curing *chemicals as its third major* business area.

These chemicals are used for producing ultra-violet or electron beam cured surface coatings on a variety of materials. They find major application in printing inks, in coatings on metal, plastic, paper and wood, and in printed circuit boards.

As they provide solvent-free surface coatings, they are environmentally acceptable. High energy conversion efficiencies of ultra violet and electron beam curing is similarly advantageous.

Currently the European market is estimated at over £3m and expansion is rapid.

More information from Lankro on 061-789 7300.

● COMMUNICATIONS

Simplified tuning

AVAILABLE for radio set makers from Mullard is the BB212 variable capacitance double diode which enables a high tuned circuit magnification factor to be realised so that good receiver design can be realised with only two tuned circuits.

Intended for amplitude modulated receivers with several wavebands, the component is claimed to have a higher capacitance ratio over its operating voltage range than any similar device. Between 0.5 and 8 volts the ratio is greater than 23; at 0.5 volts the capacitance is greater than 500 picofarads.

The capacitance voltage characteristics between 0.5 and 8 volts is virtually exponential so that non-linearity effects which lead to cross modulation and high distortion are small.

Signals up to 150 mV rms are handled without distortion (a figure easily achieved with a standard automatic gain control circuit).

Change of capacitance with temperature is 500 parts per million and is almost completely independent of voltage.

An added advantage is that the low operating voltage requires no dc to dc converter in electronically car radio design.

Mullard is at Torrington Place, London WC1E 7HD (01-580 6633).

● BROADCASTING

Simulates phone line

THE DESIGN of modems and other data transmission equipment with respect to its performance in the presence of various kinds of telephone line noise can be assisted with the use of a line simulator put on the market by Wandel and Goltermann.

Made by Axel Electronics of New York (for whom W and G has recently been appointed sole agent in the UK) the equipment will also prove useful for training maintenance engineers and end users of data transmission apparatus.

This compact unit can provide switch selectable simulation of standard line "worst case" conditions and in addition can superimpose such *steady state disturbances* as variable random noise, phase jitter, frequency shifts and har*monic distortion*. It can also provide transient phenomena such as impulse noise, phase and amplitude "hits" and amplitude drop-outs.

All these disturbances can be selected and varied *individually* or simultaneously.

For applications where only the standard line worst case conditions need to be simulated, a less comprehensive model is available.

More from 40, High Street, Acton, London, W3 6LG (01-992 6791).

● *By agreement between the Financial Times and the BBC, information from The Technical Page is available for use by the Corporation's External Services information from The Technical is source material for its overseas broadcasts.*

● OFFSHORE INDUSTRIES

Anti-hypothermia suit for use in full scale emergencies in all offshore installations, developed for Shell Expro by Strentex Fabrics, Darwen, Lancs. The material is basically in three layers bonded together—outer durable material in fluorescent yellow, an inner metallised polyester face to reflect heat, and a foam cellular layer sandwiched between. The garment is designed to permit a warm air layer between the material and the wearer whilst allowing him complete freedom of movement. The material has also been used for a one-piece survival bag, designed for victims of immersion in sub-zero seas, or at hazard from exposure. The bag arrests further body heat loss above the level of self-recuperation and *should ensure recovery.*

● HANDLING

The ice plants cometh

ONE, TWO or four insulated container-bodies which, when joined together, can be used for ice storage, comprise a type of plant said to offer many advantages over conventional systems, says Norwegian manufacturer Finsam International, Bygdoy Alle 23, Oslo 2.

All the equipment—the ice machine, the premanufactured machinery room and the ice transport—is packed inside the containers.

Benefits are derived from the fact that the ice-plant is delivered at a fixed price and involves a minimum of building and administration work, and it requires an extremely short assembly time on site as all parts are premanufactured. (Provided the site is ready, the whole plant can normally be erected within two weeks).

Furthermore, the plant is said to have a high second-hand value because it can easily be moved to another location.

Storage capacity varies with the crushing degree and the thickness of ice—standard ice unloading capacity is based on an average of 20-25 tons an hour.

Plate-ice-machines generally have a built-in/built-on condensing unit and direct expansion R-22 from two tons in 24 hours to 20 tons in 24 hours.

Container bodies are normally 20 x 8 x 8 feet, the outside layer consisting of 1.24mm steel cladding welded to the container frame to form a complete airtight shell. Inner layer is of 1.55mm aluminium sheets, and the floor/roof inner layer consists of 12mm plywood covered with fibreglass reinforced polyester. For the middle layer, rigid polyurethane insulation is used and foamed "in situ" to a thickness of 80mm in the walls and 100mm in the floor and roof.

Ice-machines have a fully wired control panel, and there are clip-on units for storage cooling. For transport equipment there is a separate control panel containing automatic fuses, starter, time relays, etc., delivered fully wired and ready to connect.

Fully automated transport of ice into and out of storage is operated from the "production" and the "delivery" part of the electric control panel.

Additionally, containerised ice-plants are also available with a range of special equipment including "packaged" water supply from ground level to condenser and/or ice-machine, insulated and ready to put up on the container walls; also water-pump to the condenser with (insulated) housing and support fastened to the container bottom rail with air-grids for remote placed aircooled condenser.

Further information from Export Council of Norway (01-839 6261).

Sorts the small parts

BECAUSE PINS, rivets and other fasteners vary so much in length, plus or minus, outside the specified tolerance, there are problems in *effecting bulk* supply.

A recent example concerns a user of stainless steel rivets who required that lengths be within the 0.14mm range to *satisfy the job specification* and the rivet machine setting. Actual length was not critical since *the machine* could be adjusted accordingly. However, the tolerance was to obviate possible machine stoppages or incorrect rivet setting.

In this case, rivets supplied were outside the specified range by as much as 0.3mm—a problem which could not be rectified by the supplier without increasing costs.

The answer seemed to be in sorting the rivets into groups according to the tolerance range, but the question asked was "how?"

Overcoming the problem, by the range of sorting and batching machines based on its standard vibratory bowl feeders, *is Automated Production* of 7, Factory Road, Upton Industrial Estate, Poole, Dorset BH16 5HT (0202-62 4727).

Parts fed from the bowl correctly orientated are transferred via a track arrangement to a precision mechanical or electronic gauging unit, says the company, where they are then selected according to preset tolerances, and then diverted into a further set of tracks.

These can be directed to load the parts into magazines, or direct to the process. Alternatively, the tracks can be led to a series of the company's counting units and, from thence, to packaging or bagging units.

Depending on customers' requirements, or the size of the components being handled, feed rates of more than 150 a minute can be achieved, says the company.

● DATA PROCESSING

For mobile recording

LATEST DIRECT writing recorder from Bell and Howell, the 5000 SC, has built-in miniature signal conditioning arrangements to provide a versatile paper recording system for up to eight channels of data.

With the eight channels of conditioning the unit weighs only 13 kg: operating from a 12-volt dc supply — a vehicle battery for example — it consumes less than 4.5 amps and can be plugged into a car cigar lighter socket, making it particularly suitable for mobile applications. Alternatively the recorder can be plugged into the mains.

Called Minigraph, the instrument makes used of a tungsten halogen lamp instead of the more customary ultraviolet source, offering a long life and a start-up time of 150 milliseconds as opposed to two minutes for ultraviolet. It is thus available for operation almost immediately after switching on — there is no need to leave the instrument running "awaiting use," thus economising on both lamps and motor.

The high intensity of the lamp used and the low ambient light level in the recorder housing allows standard direct writing papers to be used (the same type as in UV recorders) over a wide range of paper speeds down to one millimetre per second.

The universal wiring of the module housing accepts, without modification, the majority of the signal conditioning modules including high gain differential amplifiers (10,000 times), a transducer bridge amplifier, charge amplifier, frequency-to-voltage converter *and a transient tachometer.* Others are under development.

More from Lennox Road, Basingstoke, Hampshire RG22 4AW (0256 20244).

Small businesses micro

BASED ON Zilog microprocessor hardware, Micropower of Basingstoke has introduced a "complete business system" with an entry level price of under £10,000, which includes printer, VDU, all software, installation and training.

The system is called MCBS and will be seen publicly for the first time at Microsystems '79 in London (January 31 to February 2).

Micropower is aiming at small to medium sized businesses and the system will take care of all ledgers, order entry, stock control and payroll. It is extendable, claims the company, by many times at a cost which is little more than that of one extra employee.

Basic hardware consists of the MCZ-1/05 micro, Centronics 702 printer, and the Hazeltine 1500 visual display unit. Included are 64k bytes of random access memory and 600k bytes of floppy disc, allowing an 80 character 24 line display on the VDU. Printing is at 120 characters/sec.

Further up the range the more powerful MCZ-1/20 or 1/25 floppy disc or the 1/35 cartridge disc systems are employed.

More from Hampstead House, Basingstoke, Hampshire (0256 54121).

● IN THE OFFICE

Versatile copier

OFFERED by A. B. Dick is a new model of plain paper copier, the Model 990 which can handle a variety of copying jobs including labels, transparencies and letterheads.

Sheet or roll plain bond paper can be used and in the latter case a length selector enables the operator to choose from six paper lengths between 5½ and 17 inches, including A3 and A4.

The unit's sheet by-pass feed makes it quick, easy and inexpensive to make two-sided copies on any kind of paper. The first copy is delivered in less than seven seconds with further copies at the rate of one every four seconds.

A flatbed glass copy board is employed, and for copying three dimensional objects and bound volumes a two-way hinge opens the flatbed cover and also raises it up to three inches at the hinge.

A dial setting allows from one to 20 copies to be made and a cumulative counter records up to a million.

More from 88, High Street, Brentford, Middlesex TW8 8BA. (01-568 8899.)

● COMPONENTS

Low-cost servo units

LATEST *introduction by* Portescap is the H series of instrument motor tachogenerator units *for use in high-performance* drive and positioning systems.

Design is based on a new tacho unit *which is only 16 mm* in diameter and is assembled in the factory to any Escap 23 or *28 direct current motor.*

The motors all have very low inertia as a result of the ironless *rotors* employed, thus reducing to a minimum the drag on the system. They also *exhibit low output ripple* (about 5 per cent) due to the use of a nine-segment coil, and particularly linear speed-output voltage characteristics.

A choice of self-lubricating sintered bronze bearings or ball races is available which, *together with the precious metal* commutators and brushes, result in a long, maintenance-free life.

More from 204, Elgar Road, Reading, Berkshire RG2 0DD (0734 861485).

● HEATING

Exhaust heat saves fuel bills

A COMPANY which manufactures a range *of plastic bottles* and caps, etc., for the packaging of cosmetics, Wells Hinton *Plastics of Amersham, Bucks*, says it has managed to drastically cut its winter fuel costs *by heating its working environ*ment with warmed air from the exhaust of a compressor manufactured by CompAir Industrial, Broomwade Works, High Wycombe, Bucks. (0494 21181).

Majority of containers are produced at the factory on pneumatically powered injection moulding machines and, because of the nature of the end product contents, it is essential that each plastic bottle is completely free from odour. The use of the BroomWade RA75 compressor assures the desired level of clean, odour free air is achieved quietly and efficiently.

The machine's low operational noise means that it is able to be situated in the corner of a 9,000 square feet production area, right alongside the workforce which benefits from the warmed air.

It is only necessary for the oil-fired boiler to be switched on for about 20 minutes on a Monday *morning as, thereafter, the heat* from the compressor keeps the temperature even until Friday *evening. During the summer* months, the heat from the exhaust is ducted outside the *shop.*

Following the first installation, another compressor was *installed at the manufacturer's* sister company, Wells-Stride factory, on the ground floor of *an old mill.*

Situated on either side of the machine is a stores and office area and, *anticipating the heat* output from this compressor installation, ducts incorporating *fans were placed high in the side* walls to transfer the heat into both areas. Warm exhaust air *here provides the total heating* for a floor space of 5,600 square feet.

Estimated consumption of fuel oil per month in this location was about 500 gallons a month. With the successful introduction of the compressor, the three-storey mill building is kept at the required temperature, and supplementary heating is now provided to the canteen on the mill's first floor.

Future expansion of the two manufacturing plants is to include extra compressors, says the company, and heating for the works will again be tapped off the exhaust heat.

● CONSTRUCTION

Opens glass doors

A SLIDING-DOOR system for use with framed or unframed plate-glass doors is being offered by Besam of Aldershot.

Power is provided by an electric motor which moves the door leaves through a chain-and-sprocket system. The only connections required are a single-phase power supply and the leads from the actuation device. The standard operator is fitted with a carrier, or upper frame, designed to hold the sheet of glass, and the track on which the carrier runs is reinforced to take the additional weight.

The track forms part of a newly developed aluminium profile which spans the full width of the doorway; the profile also acts as a rigid framework for the door-*operator and supports the top* edge of fixed glass side-screens, if fitted.

*Standard sizes of door open*ing are based on a 200-mm module with a maximum of *2,000 mm for double-leaf and* 1,800 mm for single-leaf doors. Openings up to 2,600 mm can *be supplied to special order.*

Besam also supplies complete sliding plate-glass doors based *on the new system. This service* covers the supply of plate-glass door leaves and side screens, floor guides specially designed for glass leaves, and the complete operating system, as well as aluminium *frames* and brush-type seals where required.

Besam is located at Unit H, *Holder Road, off North Lane,* Aldershot GU12 4RH, Hants (0252 313146).

APPOINTMENTS

Group chief operating officer for BOC

Mr. John Williams has been appointed group chief operating officer of BOC INTERNATIONAL. Mr. Williams, previously managing director of BOC Limited, the wholly-owned subsidiary responsible for operations in the UK and Europe, has been a member of the parent Board since February 1969. Mr. David Pitts, at present BOC International regional director for the Pacific and South-East Asia, based in Sydney, Australia, will return to the UK to succeed Mr. Williams as managing director of BOC Limited. He has been a BOC International director since July 1974.

★

Mr. R. P. Foley has been appointed managing director of COMPRA TRIM AND NAMEPLATES, a subsidiary of C.H. Industrials.

★

Mr. James Cupples has been appointed an additional director of PHOENIX TIMBER.

★

Mr. Harry Denham and Mr. Geoff Finch have been appointed to the Board of ADMIRAL SPORTSWEAR. Mr. Denham is company secretary and Mr. Finch, joins Admiral as control and marketing director.

★

Mr. Nathan W. Blanksby has been appointed deputy managing director of MATTHEW HALL ENGINEERING following four years as chief executive of the Matthew Hall Keynes Engineering companies in Holland and Belgium. He will report to Mr. P. L. Waite, managing director. Mr. R. W. de Haze Winkelman, sales director, is to succeed Mr. Blanksby as managing director of the Matthew Hall Keynes Engineering companies.

★

Mr. Peter Snook and Mr. Angus Maitland have been appointed associate directors of CHARLES BARKER CITY.

★

Mr. Dennis Britain has retired as chairman of the Board of BRITAINS. He is succeeded by Mr. J. H. Thake, chief executive.

★

Mr. D. H. Ebdon has been elected chief accountant administration at BRITISH GAS.

★

Mr. W. D. Walshe has retired from RUSH AND TOMPKINS GROUP and has relinquished his directorships.

★

Mr. C. J. Hampton, general manager — administration of PETROFINA (U.K.) has been appointed a director.

★

Mr. John Roper, Labour and Co-op MP for Farnworth, Lancs, is to join the INSTITUTE FOR FISCAL STUDIES COMMITTEE ON BUDGETARY REFORM (the Armstrong Committee) in place of Mr. John Garrett, Labour MP for Norwich South, who has withdrawn.

★

Mr. Richard E. Bullock has been appointed to the Board of TELEMOTIVE UK.

★

Mr. David Trace, managing director of Wittenborg Automat, has been invited by the Royal Danish Embassy in London to join the newly-formed ANGLO-DANISH TRADE ADVISORY BOARD.

★

Mr. Ernest Horritt has retired as managing director of the DURAMIN ENGINEERING COMPANY and has become deputy chairman. Mr. Peter Conolly has taken over as general manager and chief executive.

★

Mr. Jim Conduit has been appointed director of marketing for PLESSEY AVIONICS AND COMMUNICATIONS.

★

Mr. J. N. Miller has been appointed a director of PERMUTIT-BOBY, a member of the Portals Water Treatment group. Mr. Miller has been company secretary since the formation of Permutit-Boby in 1975.

★

Mr. David Taylor (Stephens and Carter) has been elected president of the TRUCK AND LADDER MANUFACTURERS' ASSOCIATION for two years.

★

Mr. David R. Johnston and Mr. T. Alan Johnston, associates of BABTIE SHAW AND MORTON, have been appointed partners.

★

Mr. Charles R. Barker Bennett has been appointed an assistant manager (UK) of GENERAL ACCIDENT FIRE AND LIFE ASSURANCE CORPORATION and will be based in Perth. He returned recently from South Africa where he had been assistant general manager, South Africa since 1975.

★

Mr. N. W. Lamborn has been appointed a director of HARTLEY COOPER SCOTLAND.

★

Electronic Rentals announces the appointments of Mr. D. D. Hurley as chairman, Mr. J. E. Roberts as managing director, Mr. J. K. Johnson and Mr. C. J. Campion as directors of BRITISH WIRELESS AND TELEVISION following the resignations of Mr. G. Duncan and Mr. W. W. Renilson.

★

Dr. Geoffrey Lucas has been appointed sales and marketing director of FIRTH BROWN. Mr. Roy Perry has been made marketing manager and Mr. Iain S. Carmichael, sales support manager. The company is a member of the steel division of Johnson and Firth Brown.

★

BILLITON (UK) has made the following changes: Mr. H. Hatcher, chairman and managing director of Morris Ashby, and Mr. F. W. Stone, a director of James Girdler and Co., have retired but remain consultants to their respective companies. From February 1, Mr. D. Punton relinquishes the managing directorship of H. J. Enthoven and Sons but remains on the Board. He will take up a new position in Billiton (UK) as director of trade and public relations. Mr. F. C. Plumer will resign as managing director of British Lead Mills and become managing director, H. J. Enthoven and Sons. Mr. A. M. Albury will be managing director of British Lead Mills.

★

Mr. Michale Barnes, chairman of the Electricity Consumers' Council, has been appointed to the council of the ADVERTISING STANDARDS AUTHORITY. He fills the vacancy left by the late Lord Peddie.

★

Mr. Dennis Eldridge has been appointed to the Board of STEPHENSON CLARKE SHIPPING and has been succeeded as chief accountant of that company by Mr. Vivian Silverman. The parent concern is Powell Duffryn. Mr. John Lock has been appointed a director of Powell Duffryn Shipping Services, retaining the position of chief accountant.

★

The IMPERIAL LIFE ASSURANCE COMPANY OF CANADA has appointed Mr. R. H. A. Wain as assistant general manager for Great Britain.

★

Mr. A. Wilson-Smith has been appointed managing director of ROYTRUST INSURANCE SERVICES, the new insurance broking subsidiary of the Royal Trust Company of Canada. Mr. R. T. J. Bence and Mr. R. B. Breton, vice president European region the Royal Trust Company, have been appointed directors.

★

Encik Maley Ali Merican, managing director orf Aseambankers Malaysia Berhad, will join SIME DARBY HOLDINGS on April 2 as director of corporate affairs and as a member of the group executive Board. Encik Malek is a former deputy secretary general of the Malaysian Treasury. He will take over his new post, which includes the group's planing and development functions, from Mr. A. J. Sumner, who is to become planning director of Tarmac in the UK next March.

★

The Council of the EUROPEAN OPTIONS EXCHANGE has appointed Mr. M. N. H. Jenkins (managing director of the EOCC) to be managing director of the EOE. Other members of the management of EOE are Mr. T. E. Westerterp, general managing director, and Mr. L. W. G. Echolten, managing director.

★

Mr. Cecil J. Baker has been appointed a group director of HUNTING GATE GROUP.

CONTRACTS

Sealer line at BL Cars Cowley

The metal finishing division of CARRIER ENGINEERING COMPANY, Solihull, has secured a £750,000 order for the No. 1 sealer line at BL Cars Cowley. Used for building up paint thickness between primer and finishing coats, the No. 1 sealer line will comprise a tac rag booth, a 100 ft long Carrier-patented hydrospin booth, a flash-off area to remove solvents and finally an oven and cooler section. Effluair exhaust air treatment plant is also to be incorporated to treat oven fumes.

★

SIMON-ROSEDOWNS of Hull (Simon Food Engineering Group) has supplied a Rosedowns/Votator semi-continuous deodoriser to Croda Premier Oils, also of Hull, under a £300,000 contract. The deodoriser, 54 feet long, has been installed as part of Croda's expansion and modernisation of Isis Mills Refinery, Hull.

★

LESSER CONSTRUCTION has been awarded a £120,000 contract by Glaxo Operations UK to design and build an apprentice training centre in North Lonsdale Road, Ulverston. A lecture room two rooms for use by instructors, and separate instruction rooms for pipefitting/welding, electrical, instruments and mechanical fitting, will be provided.

★

POWER CLEANING, of Romsey, Hampshire, are undertaking a £75,000 contract for British Rail for the cleaning and repair of brick and stone work at Victoria Station, London.

★

GEO. A. MOORE AND COMPANY, the Wetherby (Yorkshire) based furniture manufacturer, announces an extension of their exclusive arrangement to supply kitchen furniture to the member boroughs of the London Housing Consortium which is estimated to be worth £1.5m.

★

A contract worth $5m (£2.5m) has been awarded by the Cyprus Telecommunications Authority to ITT SPACE COMMUNICATIONS INC. for the installation on the island of a major satellite communications ground station. The station will be located between Nicosia, the capital of Cyprus, and the port of Limassol.

★

Contracts totalling over $½m (£250,000) for fire detection systems for 27 Boeing 747 aircraft, being purchased by four Far East operators, have been won by GRAVINER, a member of the Wilkinson Match safety and protection division. Graviner is to supply fire and overheat detection systems for the RB211-JT-9 +CF-6 engines on the aircraft.

★

The heat exchanger and pressure vessel division of HEAD WRIGHTSON TEESDALE, has been awarded a manufacturing contract worth £½m for 18 shell and tube heat exchangers by Stone and Webster Engineering. Their destination is a Naphtha Steam Cracking Plant of Petkim Petrokimya AS at Aliaga, Turkey.

★

An order for 121 explosion protected multiway switchfuse assemblies, worth £85,000, has been won by the West Midland based electrical manufacturers, WALSALL CONDUITS.

THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

British strikes: why managers can't sleep at night

R. J. Ramsey, the industrial relations director of Ford, UK, replies to last week's article by J. J. Maling, a former shop steward, which provided a shop floor perspective of factory strikes.

IT IS NOT often that reading the Financial Times causes me to lose sleep but Mr. Maling's article on British strikes in your January issue made me so unhappy that I not only lost sleep but decided that I must try to correct the dangerous misapprehensions that he may have created.

The apologists for British strikes have three well-known themes:

- that we have far less damaging strikes than other nations, such as the United States;
- *that, in any event, they only* occur in a small part of British industry; and
- that the time lost through sickness and accidents is far more significant.

Strike habit

Unfortunately, all three statements are completely untrue. The strike problem in Britain is endemic and widespread. It *is the biggest single* cause of our industrial and economic decline as a nation and there is no way that we are going to progress as a nation unless we can solve the problem, and that is the reason why your article kept me awake.

How can Britain solve the problem if Mr. Maling and many others either don't believe that *the problem exists or* that if it does, it is not serious?

Let me examine the position. First, the British strike habit is vastly more damaging than in any other of the advanced Western industrial nations, with the possible exception of Italy. The severity of strikes is not only a function of man hours lost but also of the frequency and predictability of strikes.

In the United States, indeed *throughout the free world*, it is commonplace for employers to be *faced* with end of contract strikes on wages, or other conditions. These strikes are regrettable and damaging but at least they can be foreseen and they can to some degree be anticipated by customers who can take a certain amount of protective action. They are the legitimate price of preserving a free society.

What is virtually unique to Britain is not these strikes but the incessant daily unofficial strikes, in breach of procedures, which make the jobs of both management and shop floor employees a misery.

Interminable unofficial disputes and threats of unofficial disputes make the planning of production a nightmare, concentrate the energies of manage*ment and trade unions* on fire-fighting instead of building constructive relationships and create never-ending attitudes of antagonism. They cause vast losses of the nation's annual productive capacity which occur almost unnoticed because most of the disputes do not hit the *headlines, do not get notified* to the Department of Employment and do not become part of official statistics.

Nevertheless, they ruin the British reputation as a reliable supplier of goods and services. As a member of a large company operating throughout the Western world I am only too keenly aware that this problem, with its *attendant* catastrophic consequences, is almost unique *to Britain.*

Out of the blue

The comparison with time lost through sickness and accidents *is totally misleading.* Time lost through these causes in Britain *is, if anything, a good* deal less than in many other Western nations, but those other nations don't lose any of their productive effort as a consequence. Sickness absence can be planned for as a regular inevitable occurrence and, provided an adequate labour force is recruited to take it into account, and providing trade unions agree on mobility of labour between jobs then no loss of production results.

But a stoppage of work, coming out of the blue, by as *few as 10 or 15 men*, can throw the whole productive effort of a factory or a series of factories completely out of gear for hours or days and involve the laying off of thousands of other employees, with loss of wages.

We may decide to cherish the illusion that the problem *does not really exist, but you* cannot fool customers. Customers both at home and abroad, know when they are not getting the goods they have ordered on the day they were promised them. Customers overseas know that this is a peculiarly British problem.

Mr. Maling's caricature of management really won't wash. There *may* have been a time when British management could reasonably be lampooned for their inability to appreciate how shop floor relationships should be handled, but, for the majority, that time is long past. Employers generally are fully aware of the fact that their employees *have* the economic power to ruin the Company for which they work. Not surprisingly, therefore, they increasingly give the fullest possible attention to providing the institutions and procedures and a management style to produce better relationships.

Most employers understand that employee participation is *not something awaiting Govern*ment legislation before it is embarked upon. On the contrary they know that employee participation in Britain is a daily reality through the simple fact of the existence of the British trade union movement, based on shop floor representation, and of the economic power possessed by its members. They know that, because this participation is founded on *the adversary principle* and is too often of a negative character, the job of managing in Britain is tougher than in most other countries, but they accept that challenge.

However, they also know that there are two missing ingredients to any hope of this country embarking on a more successful course:

1. the attitude of people like Mr. Maling, who do not see the strike problem for the national disaster it is, and
2. the failure of the British trade union movement to be able to sign a procedure agreement with a 'no strike' clause until the procedure is exhausted, or an annual economic agreement with a 'no strike' clause *and* be able to guarantee absolutely that the signatures on the agreement will be honoured.

Confidence

Some years back it was reasonable for unions to argue that procedure agreements could not be honoured because *the necessary prerequisites for* them to be honoured, such as status quo provisions and protection against arbitrary disciplinary action, had not been provided by management.

Today that is no longer the case, but they are still not honoured. Until that problem is solved we are not going to find either investors or customers who will place the necessary confidence in British *industry.*

It is my firm conviction that *if we can get procedure agree*ments honoured and if we can remove the problem of unofficial strikes, then there is nothing that can stop a flow of customers and investors, anxious to do business with Britain. We would immediately increase our national productivity, *make full use of the* productive resources available, *improve and increase* those productive resources and create more jobs by the only real way one can create more jobs, that is by finding and maintaining more satisfied customers at home and overseas.

As soon as we stop treating customers with contempt by our indulgence in unofficial strikes, Britain's future will be assured.

BUSINESS LAW

The ins and outs of employing a company lawyer

BY A. H. HERMANN

THE 4,000 or so British barristers practising in Chambers get more limelight that the almost equal number of their brethren employed in business, *in the Civil Service,* in local government, or teach*ing in law schools.* But those employed in commerce, finance *and industry earn more money,* or so it appears from the two surveys of earnings recently published, one by the Bar Council and the other by the Bar Association for Commerce, Finance and Industry.

The surveys cover different periods and are not strictly comparable but one can safely conclude that a young barrister taking up employment in a business will immediately start earning more than he would in chambers, and will have an almost double *chance of* reaching the top category, which now earns over £20,000 a year, before he retires.

Presumably in those countries where lawyers in private practice command very high fees — and particularly when they have large *international* companies among their clients — the earnings of *employed lawyers cannot keep* in step with theirs.

This is most probably the case in Germany and almost certainly so in the U.S. where the contingency fee system creates *fabulous* incomes even for lawyers who represent small firms or individuals claiming damages, be it for injury or antitrust infringements, from *large and financially strong* companies.

The high fees of outside lawyers provide an incentive to companies to build up "in-*house" legal teams, though this* tendency is counteracted by the *diversity of laws in different* states in the U.S. and, in the *case of* multinational companies, or those operating world-wide, by the need to rely on local lawyers when doing business in foreign countries.

The result is that even very large companies, with between 25 and 50 per cent of their sales outside their home countries, employ relatively few house lawyers at headquarters.

Twelve such companies interviewed recently by Business *International* employ between four and 25 full-time lawyers in their headquarters averaging at between 10 and 15.

All these companies were reported as finding outside legal assistance too costly and disadvantageous in the long run. Yet some of them continued to *farm out as much as half their* international legal work at a cost which one company reported to have reached over £500,000 in 1977.

Companies whose business warrants the employment of a larger team of lawyers can include in it specialists in *certain territories or branches* of law. Relatively less outside *help would then be needed* than by companies employing only a few generalists. However, even when it is necessary to consult outside specialists, and to send lawyers admitted to courts where litigation is pending, the in-house lawyer can save the company a lot money by curbing the independent lawyer's *enthusiasm for protracted litiga*tion or even avoid it altogether.

On the other hand, the increasing internationalisation of legal business makes outside help more important, as only the man on the spot can interpret the law books against the background of local customs and politics.

The role of the independent specialist will also be enhanced by the flood of national and international legislation on production and employment, not to speak of the special para-legal knowhow required for negotiat*ing with inter-governmental* organisations, the EEC, international trade unions, Comecon and developing countries.

Even those large companies, which have on their staff patent lawyers, antitrust and tax specialists, and are thinking of hiring an international product liability specialist, will have to rely more on outside help in *future. As long as no up-to-date* computerised store of legal information exists, only highly-specialised local lawyers can keep track of the latest developments.

Managements wishing to make the best possible use of a combination of outside and in-house *lawyers should, at all times,* be aware of the different motiva*tion of the two kinds of lawyers* and of the different conditions under which they work.

The lawyer in practice will often lack the company lawyer's feel for the business aspects of a relationship or situation from which an agreement to be drafted—or a dispute—is likely to emerge. He may be inclined *to take a dangerously "pure"* legal view. On the other hand *he is likely* to be blissfully ignorant of any inter-departmental warfare and of the pet ideas of the managing director, so that his advice will be undiluted by the need to pacify the egos of influential members of the management.

The in-house lawyer has, of course, a much greater identity with the interests of the company employing him than has the outsider. A litigation lasting several years, costing hundreds of thousands of pounds, and ending in a disaster may *terminate* or at least seriously jeopardise *the career of a staff lawyer* while it may provide the outside lawyer with a fortune big enough to be enjoyed by his grandchildren.

To make the best use of the diverse motivations and abilities of inside and outside lawyers is a difficult, but worthwhile, *managerial problem.* Inside lawyers must be given a feeling of independence and security and encouraged to give their individual — not collective — opinions and not to hesitate even if they know that the management will not like them. Such independence and *direct access to top manage*ment should also be afforded to *lawyers working in subsidiaries.* Outside lawyers, on the other hand, should be taken into one's confidence, have the company's policy explained to them and made to accept that even a successful litigation could occasionally be bad for business.

BUSINESS PROBLEMS

BY OUR LEGAL STAFF

Assessable as a director

I am a director of a small close company, in which I have about 10 per cent of the equity. For 1974/75 they wish to tax me on a health, sickness insurance premium for sick pay. Is it allowable? I thought it had only recently been disallowed. The same problem applies to a BUPA subscription in 1975/76, plus sick-pay insurance. In 1976/77 I received £39 in luncheon vouchers. They say this is taxable as well. Are they right? Are BUPA subscriptions, etc., taxable in 1976/77? As they are argumentative, any Acts you can quote would help.

Because you are a director, all the items you mention are assessable. The change in the law you are thinking of merely extended the assessability of health insurance premiums to all employees, instead of merely *directors* and *higher-paid* employees. We cannot quote any legislation which would help you to resist the tax demands.

To help you understand the rules governing the taxation of directors' benefits, we suggest you ask the company secretary for copies of the forms P11D which the company submitted to the inspector showing your *benefits* and reimbursed expenses for 1974-75 onwards.

The relevant legislation is:

section 196, Income and Corporation Taxes Act 1970, for the years before 1977/78;

section 61, Finance Act 1976, for 1977-78 et seq.; and (for all employees):

section 68, Finance Act 1976, for 1976-77 et seq.

The taxation of the cost of luncheon vouchers is subject to extrastatutory concession A3 which you will find in a *free* booklet (IR1) obtainable over *the counter at most tax in*spectors' offices, or by post. Your *vouchers* presumably do not satisfy the second condition for concessional treatment.

Resumption of a profession

Since 1973 I have been a salaried partner with a firm of consultants, prior to which I had been a consultant on my own. I am now thinking of becoming a consultant again. When I was so previously I was allowed travelling and other expenses to a client at a distance. What, please, will be my position vis-a-vis the Revenue in future?

We take it that you were treated as having permanently discontinued your consultancy profession in *1973*, and that the cessation rules were con*sequently* applied to your schedule D case II assessments for 1972-73 (or 1973-74) and the preceding two years. As a salaried partner, presumably you have been subject to PAYE and assessments under schedule E.

That being so, the schedule D case II commencement provisions will apply to the resumption of your consultancy *profes*sion for 1978-79 and the next *year or two.* The rules relating to travelling expenses etc. have not altered significantly during the past five years (at least as far as you appear to be concerned), but you will find general guidance in a free Inland Revenue booklet called Starting in Business (IR28). You should be able to get a copy from your local tax inspector's office, or any convenient tax office.

Non payment of rent

Twice I have had to sue for forfeit for arrears of rent and twice I have followed the drawn out Court proceedings to obtain judgement and then on both occasions the tenant has even*tually paid up, this last time* having to serve also a warrant *for execution.*

Previously I have served a Notice under Section 146 of the Law of Property Act 1925, on another tenant for dilapidations needing repair, under breach of covenant, but not for rent unpaid.

There is still three years of the tenant's lease to run; how can I terminate the lease? How can *this avoidance of forfeiture* in favour of the tenant be *brought to an end?*

You cannot avoid the statutory provisions concerning relief from forfeiture whether for non payment of rent or for other breaches of covenant. The best that you can do is to seek as a condition of relief from forfeiture, an order that the tenant pay your costs on a common fund basis instead of on a party and *party basis.* Section 146 notices are requisite in all *cases other than forfeiture for* non payment of rent, and even where the breach of covenant is not capable of being remedied.

*

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

How to play safe with security

NO COMPANY can be completely free of security worries. For some, it may not go much further than the safekeeping of the weekly wage packets. For shops, for instance, it is the more serious one of pilfering, both internal and external.

But security problems may be far more complicated than the mere protection of physical goods; computer fraud and the theft of information, such as research and development know-*how are growing worries* for many companies. And for some of the larger companies there is the all too real threat of kidnapping of *senior* employees.

The enlarged edition of *Practical Security in Commerce and Industry*,* to be published later this month provides a wealth of information on dealing with the problems of *security. So much so it cannot* be recommended as bedtime reading.

This latest edition has been revised to take account of changes in legislation since 1972 and it includes new information on risk assessment, contractors and kidnapping.

The book is divided into seven parts which include aids to security, how to protect buildings and sites, and security in offices and shops, and a section on road transport; it also explains the requirements and rights under the law.

**Practical Security in Commerce and Industry, 3rd Edition, by Eric Oliver and John Wilson, published by Gower Press, January 25, 1979; price £12.50.*

LOMBARD

The agenda for Lloyd's

BY JOHN MOORE

SIR HENRY FISHER'S working party, commissioned by Lloyd's of London to explore the *self regulatory mechanisms* of its unique insurance market, faces a daunting task.

The last occasion that a long, hard look was taken at Lloyd's by a formal working party was *10 years ago*. Then Lord Cromer was invited by Lloyd's to look at what steps should be taken *to encourage and maintain an* efficient and profitable Lloyd's underwriters' market "which *would be of a size* to command world attention."

Membership

Since the completion of that report in 1970 membership has more than doubled to well over 14,000 and the premium income has nearly trebled to over £2bn.

But the Cromer report did not deal in detail with one of the issues central to the maintenance of Lloyd's efficiency in the event of a rapid expansion of the market: could Lloyd's disciplinary powers cope with such expansion, keep order effectively and so protect the venerated "good name" of Lloyd's? The events of the last year or so have shown that these powers could not cope.

One of the main areas that the Fisher working party will have to consider is the relationship *between brokers and underwriters.*

Many underwriters are unhappy with the *shift* of the *balance* of *power* to the super broker. They argue that it is the *tail that is wagging the dog at* Lloyd's: after all the brokers only produce business for the *market and do not insure it.* Moreover underwriters are unhappy at the increasing *stranglehold that brokers are* establishing in underwriting affairs through the management of syndicates by subsidiaries of broking companies.

The advent of publicly quoted Lloyd's brokers is still a fairly recent phenomenon dating back to barely 20 years ago. Brokers quoted on the stock exchange are under great pressure—unconscious though it may be on occasion—to produce good profits growth and good returns to shareholders.

But how such a broker discharges his responsibility to gain advantage for shareholders may not be in the best interest of Lloyd's underwriters and the non-working names who invest their capital at Lloyd's.

Lloyd's is ill-equipped to bring order when a row breaks out. It is governed by two Acts of *Parliament* and there are 87 by-laws. The most draconian of these empowers the Committee *of Lloyd's* to eject a member who has been guilty of "any default or discreditable conduct." But there is little else covering disciplinary matters at Lloyd's which is backed by law.

True, much has been done at Lloyd's to ensure that internal *regulatory mechanisms* are formalised over auditing and accounting affairs of the underwriters. But *disciplinary action* in day-to-day affairs in all sections of the market is still operated *in a random and club*-like manner.

Lloyd's also has vetting procedures—such as an investigating tribunal—for ensuring that those authorised in the U.S. by Lloyd's underwriters and brokers to produce business in the non-marine market are suitable to do so. This is only described as an advisory service, and has no weight of law behind it.

And although the Lloyd's *underwriters* claims and *recoveries* office—a central administrative service for the *settlement of claims*—can give advice on the proportion of any claim that should be settled, its *advice can be ignored by* underwriters.

Nightmare

If and when disciplinary action is required against a publicly quoted broker, Lloyd's is presented with a nightmarish problem. For if it were to suspend that broker from placing *business* at Lloyd's the share price would drop dramatically, and the goodwill of the company *would be badly damaged.* The Fisher working party could consider whether Lloyd's *and the stock exchange should* work more closely together in this respect.

Reform at Lloyd's is needed. But what the Fisher inquiry must be aware of is that the desire to ensure continuity at Lloyd's has often led those responsible for framing the policy to support the existing order of things rather than to listen to more reforming voices. Lloyd's must at least follow up its own initiative in setting up such an important inquiry by publishing the findings in full.

Bean's buplevers: a beauty on the bank

GARDENS TODAY

BY ROBIN LANE FOX

A WEEK's hard frost is a chance to lay plans, think of moving things around *again* and size up the way the garden ought to look. It is not a bad moment to *be planning*. The dry autumn and the series of frosty nights have held up nurserymen's orders for open-ground stock. If you had planned everything earlier, you would not necessarily have received anything which you asked for. I find it all too easy *to plan* a *full garden for the* month in which I start thinking about it. One chooses what is uppermost *at any one time. But* in January there is nothing much about. You can take a calmer view.

Evergreens

What about the evergreens? It is a rough rule, which I respect, that up to half of a planting should be evergreen for solidity, form and shape but not for flowers. Evergreens are slow-growing, on the whole, and not the most brilliant flowering shrubs unless you can grow rhododendrons. In the summer I wonder at times whether we do not all respect them too much. In a winter like this, after all, they look just as miserable as anything else. But if I had to rethink the garden entirely, I would still put the low proportion of evergreen as its least curable fault.

None the less, I have learnt to respect some easy ones, even *under a foot of snow. The* summer-flowering relation of the cow parsley, called Bupleurum, *seems to me to be a godsend* to impatient gardeners, like myself, on lime. It has narrowish *soapy* blue-green leaves, a reasonably upright habit and fine flat yellow-green heads of *flower*, the *colour of ladies* mantle, in the unusual shrub-*season of August. The authoritative* Mr. Bean, I have just found, believes that in country *places it is known as* "*buplevers.*" That, I fear was before the spread of the suburb and the *weekend cottage.*

Bupleurum is quite good anywhere and always easy and quick to a height of four feet. But in one place, it is superb. If you have a bank or a slope beside steps or a dry wall, it will spill out over the edge and fall loosely forwards in a dignified way. It is a fine evergreen shrub on a chalk soil. There was a time when I thought that the most handsome natural gardens of all were to be found spilling out of the chalk-faces of southern railway cuttings. In such a site, old buplevers' would *be in its* element. A shrub, then, which is well worth a try.

Another such chalk-lover is *the family called* Rhamnus. This, I imagine, is a relation of the willow and the sea-*buckthorn. The best is* prettier than either—a pale cream-white variegated shrub with a bright *leaf which is sold as* R. Alaternus Variegatus. This, *too*, is a surprisingly rapid shrub. It has come through the sharp frosts unhurt and I now *consider* it quite hardy against a west wall or in among the shelter of surrounding shrubs *and background in a west-facing* bed.

A wall, in fact, is a particularly pretty site *for it*, as the brick or stone sets off the mass impression of its leaves. I think it much finer than the variegated Weigela, too yellow-gold for my taste, and as good as the white-edged *leaf* of variegated dog-wood, but with the supreme advantage that it is also evergreen.

For speed, of course, the Ceanothus is still first past the post. The evergreen Burkwoodii form is hardy, surely, if you place it with a little forethought. That said, mine faces north-east on the edge of a cold hill and is quite unperturbed. The bulk of the dark green leaf-mass is pleasantly emphatic in winter. I find that the danger lies, rather, in a heavy fall of snow, something which can also damage a loose hedge of evergreen conifers. It is well worth checking that no branches have split and no wires given way after the recent snow-drifts. If they continue, shake the weight off the shrubs before they wreck them.

Grey leaves

There is a *standard* career for a good evergreen shrub. Gardeners like it and find it useful; writers then describe it as ground-cover; nurserymen list it in bulk for local councils and it ends up looking wretched and smutty on town roundabouts, where it saves labour. The fine grey-green Senecio has gone the way of the labour-free garden-plant. Yet it is still indispensable, however grand the garden. Nothing else with grey leaves blends so easily into a border and keeps such a neat form if you pinch it back.

Roundabouts, however, are still wary of a fine companion, the Choisya or Mexican orange. This near-hardy shrub is a good foil to Senecio, say, and a *clump* of the spear-shaped leaves of yucca or a green-grey Phormium. But it is not alto-*gether safe in winter. With me,* it is one of the first to go. In spring, too, it can look miser-*able when it sheds its winter* leaves. Yet it, too, has the rounded shape and notable form which distinguishes all the plants I have mentioned this week. Even under snow and frost, they remain the backbone which holds a garden together. Petunias are all very well in season. But at this end of the year, one feels that there is sound wisdom in a high pro-*portion* of less obviously spectacular shrubs which endure through the year.

Choisya—or Mexican orange—a good evergreen shrub though not altogether safe *in winter*

Flying Orchid has the edge

RACING

BY DOMINIC WIGAN

JOSH GIFFORD and Tim Forster send strong terms to Towcester today, and the afternoon could well end with the pair winning as many as four events on the Jackpot-supported programme.

In the main race on the right-handed Northamptonshire course, which features one of the most testing climbs to the finish on any National Hunt track, Forster relies on the nine-year-old Coffee Bean. The year-older Flying Orchid represents the Findon trainer.

Coffee Bean, whose stable-mate Mr. Snowman took the corresponding event a year ago, has made one appearance to date this term.

A fortnight ago at Stratford, Forster's Espresso gelding gave Thorner a fine ride when finishing strongly to take second place at three lengths to the heavily backed Good Prospect in the J. H. Rowe Challenge Trophy.

The Stratford race was a first public appearance for Coffee Bean in nine months and he seems to be ideally suited by this testing three miles.

Flying Orchid, a winner at Towcester three times and who also will lack nothing in either fitness of stamina, had his last race on the same day that Coffee Bean ran well at Stratford.

In the Whitelaw Challenge *Cup at Fontwell*, Flying Orchid took up the running approaching the final fence and raced *clear to win by eight lengths from Fettimist.*

That was an extremely useful *performance by the Orchardist* gelding, who was giving Gifford his 400th training success. I believe that a repeat of this performance will see him taking advantage of the 7 lbs he receives from Coffee Bean.

If successful under a 6 lbs penalty here, Flying Orchid is more than likely to take his chance in next month's Welsh Grand National before a deci-*sion is made on whether he will* go for Uttoxeter's Midlands Grand National.

A second race which may become a duel between the two camps of Letcombe Basset and Findon is the Broadwater Handicap Hurdle.

Gifford's recent Folkestone winner, Rube's Wicket, faces a formidable task in trying to stop Professor Plum from gaining his second course and distance victory following a 20-lengths win here towards the end of last season.

There may be little in it at the finish, but I believe that Professor Plum will just have the edge.

TOWCESTER

12.30—Mr. Marlsbridge
1.00—Uther Pendragon***
1.30—The White Tower
2.00—Flying Orchid**
2.30—Legal Branch
3.00—Professor Plum*
3.30—Sheamusogue

TV Radio

† Indicates programme in black and white

BBC 1

12.45 pm News. 1.00 Pebble Mill. 1.45 Fingerbobs. 3.00 Delia Smith's Cookery Course. 3.33 Regional News for England (except London). 3.55 Play School. 4.20 Touché Turtle. 4.25 Jackanory. 4.40 Take Hart. 5.00 John Craven's Newsround. 5.05 The Strange Affair of Adelaide Harris.
5.40 News.
5.55 Nationwide (London and South-East only).
6.20 Nationwide.
6.55 The Early Film: "Nakia."
8.05 The Aphrodite Inheritance.
9.00 News.
9.25 The Fall and Rise of Reginald Perrin.
9.35 Sportsnight
11.00 Tonight.
11.40 The Sky At Night.
12.00 Weather/Regional News.

All Regions as BBC-1 except at the following times:—

Wales—*5.05 pm Billdowcar.* 5.35-5.40 Crystal Tipps and Alistair. 5.55-6.20 Wales Today. *6.55 Heddiw. 7.10 Ar Y Brig.* 7.40-8.05 Tomorrow's World. 12.00 News. Weather for Wales.

Scotland—5.55-6.20 pm Reporting Scotland. 12.00 News, Weather for Scotland.

Northern Ireland—3.53-3.55 pm Northern Ireland News. 5.55-6.20 Scene Around Six. 12.00 News, Weather for Northern Ireland.

England—5.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South-West (Plymouth).

BBC 2

10.20 am Gharbar.
10.45 Parosi.
11.00 Play School.
5.10 *pm* Open University.
6.55 Top Table.
7.45 Mid-evening News.
7.50 The Story of English Furniture.
8.15 My Kind of Movie: Petula Clark on "Ace in the Hole."
8.00 The Money Programme.
9.00 M*A*S*H
9.25 Kenny Rogers—in Concert.
10.10 Count Dracula.
11.05 Late News.
11.10 Cricket: Fourth Test (highlights).

LONDON

9.30 am The Lonely Level. 10.00 "The Dangerous Days of Kiowa Jones," starring Robert Horton. 11.35 Survival. 12.00 Clopper Castle. 12.10 pm Daisy, Daisy. 12.30 The Cedar Tree. 1.00 News, plus FT index. 1.20 Thames News. 1.30 Crown Court. 2.00 After Noon Plus. 3.20 Kitchen Garden. 3.50 Tell Me Another. 4.20 How. 4.45 The Book Tower. 5.15 Pauline's People.
5.45 News.
6.00 Thames at 6.
6.25 Help!
6.35 Crossroads.
7.00 This Is Your Life.
7.30 Coronation Street.
8.00 Leave It To Charlie.
8.30 Around The World With Ridgway.
10.00 News.
10.30 "The Naked Runner," starring Frank Sinatra.
12.20 am What The Papers Say.
12.45 Close: A painting by Leonardo da Vinci, music by J. S. Bach.

All IBA Regions as London except at the following times:—

ANGLIA

9.25 am "The Silver Chalice." 11.40 Oscar. 11.55 The Sweet Sugar Doughnut. 1.25 pm Anglia News. 2.00 Houseparty. 2.25 The Little House on the Prairie. 5.15 Mr and Mrs. 6.00 About Anglia. 10.30 Celebrity Concert. 11.30 Westside Medical. 12.30 am The Big Question.

ATV

10.00 am Cold Rodders. 10.10 Morning Cinema: "The Guru." 1.20 pm ATV Newsdesk. 5.15 Rolf Harris Show. 6.00 ATV Today. 10.30 The Mid-Week Film: "Warning Shot."

BORDER

9.35 am Survival. 10.05 Film: "*Tarzan and the Great River*" 11.40 Oscar. †1.20 pm Border News. 2.00 Houseparty. 2.25 The Family. 5.15 Jonny Quest. 6.00 Lookaround Wednes-*day*. 10.30 *A Twist in the Tale.* 11.30 The Practice. 12.00 Border News Summary.

CHANNEL

1.18 pm Channel Lunchtime News, and What's On Where. 2.25 The Family. 5.15 Emmerdale Farm. 6.00 *Channel News* 6.10 Funky Phantom. 10.28 Channel Late News 10.32 Movie Premier: "Unwed Father" 11.50 Epilogue followed by News and Weather in French.

GRAMPIAN

9.25 am First Thing 9.30 Canada at War. 10.00 Sixty Incredible Years. 11.00 Conquest of the Sea. 11.40 Oscar. 11.55 The Sweet Sugar Doughnut. 1.20 pm Grampian News Headlines. 5.15 Emmerdale Farm. 6.00 Grampian Today 12.20 am Reflections. 12.25 Grampian Late Night Headlines.

GRANADA

9.30 am Sesame Street. 10.25 Tarzan. 11.10 Wildlife Cinema. 11.35 Cartoon-*time. 11.45 A Handful of Songs.* 1.20 pm This Is Your Right. 2.25 Westside Medical. 5.10 What's New 5.15 Crossroads. 6.00 Granada Reports. *6.30 Oh No, It's Selwyn Froggitt.* 10.30 The Wednesday Film. "Deadlier Than The Male."

HTV

9.15 am Survival Special. †10.10 "What's Good for the Goose." 11.45 Oscar. 11.55 The Sweet Sugar Doughnut. 1.20 *pm Report West* Headlines 1.25 Report Wales Headlines. 5.20 Crossroads. 6.00 Report West. 6.15 Report Wales. 6.30 *Emmerdale Farm.* 10.30 "The Long Ride Home," starring Glenn Ford.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 pm *Penawdau Newyddion y Dydd.* 4.20-4.45 'Rydw' I am Fod. 6.00-6.15 Y Dydd.

HTV West—As HTV General Service *except*: 1.20-1.30 pm Report West Headlines. 6.15-6.30 Report West.

SCOTTISH

9.30 am Massacre at Glencoe (rpt.). 10.20 Morning Mystery Movie — Quincy. 11.30 East Kilbride Goes to Town. 11.40 Oscar. 11.55 The Sweet Sugar Doughnut. 1.25 pm News and Road. 5.15 Cartoon. 5.20 Crossroads. 6.00 Scotland Today. 6.30 Best of Weir. 10.30 Late Call. 10.35 Feature Film: "Bandolero."

SOUTHERN

9.30 am The Rovers. 10.00 Prince of Foxes. 11.40 Oscar. 11.55 The Sweet Sugar Doughnut. 1.20 pm Southern News. 2.00 Houseparty. 2.25 Young Ramsay. 5.15 Sinbad Junior. 5.20 Crossroads. 6.00 Day by Day. 6.45 Dick Barton — Special Agent 10.30 Southern News Extra. 10.35 *"Take a Girl Like You,"* starring Hayley Mills.

TYNE TEES

9.30 am The Good Word, followed by North East News Headlines. 9.35 A Big Country. 10.10 "The Master of Ballantrae," starring Errol Flynn. 11.40 *Oscar.* 11.55 *The Sweet Sugar Doughnut.* 1.20 pm North East News and Lookaround and Where The Jobs Are. 5.15 Laverne and Shirley. 6.00 Northern *Life.* †10.30 "*The Love Goddesses.*" 12.00 Epilogue.

ULSTER

10.15 am The Herbs. 10.25 Little House on the Prairie. 11.40 Oscar. 11.55 The Sweet Sugar Doughnut. 1.20 pm Lunchtime. 2.25 The Electric Theatre *Show. 2.55 Untamed World. 4.18 Ulster* News Headlines. 5.15 Cartoon Time. 5.20 *Crossroads.* 6.00 Good Evening Ulster. 10.30 Danger in Paradise. 11.30 *Bedtime.*

WESTWARD

9.35 am A Natural Question. 10.05 "*The Pistolero of Red River,*" starring Glenn Ford. 11.40 Oscar. 11.55 The Sweet Sugar Doughnut. 12.27 pm Gus Honeybun's Birthdays. 1.20 Westward *News Headlines. 2.25 Family.* 5.15 Emmerdale Farm. 6.00 Westward Diary. 10.28 Westward Late News. 10.30 Movie Premiere: "Unwed Father." *11.50 Faith for Life. 11.55 West* Country Weather.

YORKSHIRE

9.30 am "The Four Feathers," starring Ralph Richardson. 11.25 Cartoon Time. 11.35 World Worth Keeping. 1.20 pm Calendar News. 5.15 *Mr. and Mrs. 6.00 Calendar* (Emley Moor and Belmont editions). †10.30 "The Love Goddesses."

Radio Wavelengths

1	1053kHz/285m 1089kHz/275m	3	1215kHz/247m & 90-92.5vhf stereo
2	693kHz/433m 909kHz/330m & 88-91vhf stereo	4	200kHz/1500m & 92-95vhf

BBC Radio London: 1458kHz, 206m & 94.9vhf

Capital Radio: 1548kHz, 194m & 95.8vhf

London Broadcasting: 1151kHz, 261m & 97.3vhf

RADIO 1

(S) Stereophonic broadcast (also on VHF)

5.00 am As Radio 2. 7.02 Dave Lee Travis. 9.00 Peter Powell. 11.31 Paul Burnett. 2.00 pm Tony Blackburn. 4.00 Andy Peebles. 5.30 Newsbeat. 5.45 Kid *Jensen. 6.31 Radio 1 Mailbag. 7.30 As* Radio 2. 10.02 John Peel (S). 12.00-2.04 am As Radio 2.

RADIO 2

5.00 am *News* Summary. 5.02 David Allan (S). 7.32 Cricket: Fourth Test (report). 7.34 Ray Moore (S) including 8.27 Racing Bulletin and 8.45 Pause for Thought. *10.02 Jimmy Young (S).* 12.15 pm Waggoners' Walk. 12.30 Pete Murray's Open House (S). 2.30 David Hamilton (S). 4.30 Waggoners' Walk. *4.45 Sports Desk. 4.47 John Dunn (S).* 6.45 Sports Desk. 7.02 Robin Richmond (S). 7.30 Listen To The Band (S). 8.15 The Magic of The Musicals (S) 9.02 *The Impressarios* 9.55 Sports Desk. 10.02 My Sainted Aunt (S) 10.30 Beryl Reid says Be My Guest: records 11.02 Brian Matthew introduces Round Mid-*night including 12.00 News.* 2.00-2.04 am News Summary

RADIO 3

4.55-7.05 am Cricket: Fourth Test Australia v. England. 7.00-7.05 News. 7.05 Weather. 7.08 Your Midweek Choice, part 1 (S). 8.00 News 8.05 Your Midweek Choice, part 2 (S). *9.00 News. 9.05 This Week's* Composer: Purcell (S). 10.05 Schubert's First Quartet (S). 10.25 Music for Organ (S). 11.05 Clarinet and Piano Recital (S). 11.45 BBC Scottish Symphony Orchestra (S). 1.00 pm News. 1.05 Concert Hall (S). 2.05 Symphonies From The New World (S). 3.15 Music For Piano, Four Hands (S). 4.15 The Renaissance of English Chamber Music (S). 5.30 Young Music Makers (S). 5.45 Homeward Bound (S). 6.30 News. 6.35 At Home (S). *7.30 BBC Symphony Chorus 50th An*niversary Concert: Bach's Mass in B Minor, part 1 (S). 8.35 The Arts Worldwide. 8.55 50th Anniversary Con-*cert, part 2 (S). 10.10 A Profile of* Bell Laboratories in New Jersey. 10.55 Building a Library of records (S) 11.55-12.00 News

RADIO 4

6.00 am News Briefing 6.10 Farming Today. 6.25 Shipping Forecast. 6.30 Today. Magazine, including 6.45 Prayer For The Day. 7.00 and 8.00 Today's News. 7.30, 8.30 News headlines. 7.45 Thought For The Day 8.45 I Can't Stay Long. 9.00 News. 9.05 *The Living World.* 9.35 On Location. 10.00 News. 10.05 Gardeners' Question Time. 10.30 Daily Service. 10.45 Morning Story. 11.00 Time For Action. 11.45 Listen With Mother. 12.00 News. 12.02 *pm You and Yours. 12.27 Lord Peter* Wimsey. 12.55 Weather, programme news. 1.00 The World at One 1.40 The Archers. 1.55 Shipping forecast. 2.00 *News 2.02 Women's Hour. 3.00 News.* 3.05 Afternoon Theatre. 3.50 Choral Evensong (S). 4.35 Story Time. 5.00 PM: News magazine. 5.50 Shipping forecast. 5.55 *Weather. 6.00 News.* 6.30 My Music (S). 7.00 News. 7.05 The Archers. 7.20 Checkpoint. 7.45 An Opera For Blewbury. 8.45 Nation to Nation. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.30 The Cool Web. 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Unforgettables. 12.00 News.

BBC Radio London

5.00 am As Radio 2. 6.30 Rush Hour. 9.00 London Live. 12.03 pm Call In. 2.03 206 Showcase. 4.03 *Home Run.* 6.10 Look, Stop, Listen. 7.30 Black Londoners. 8.30 In Concert. 10.03 Late Night London. From 12.00—As Radio 2.

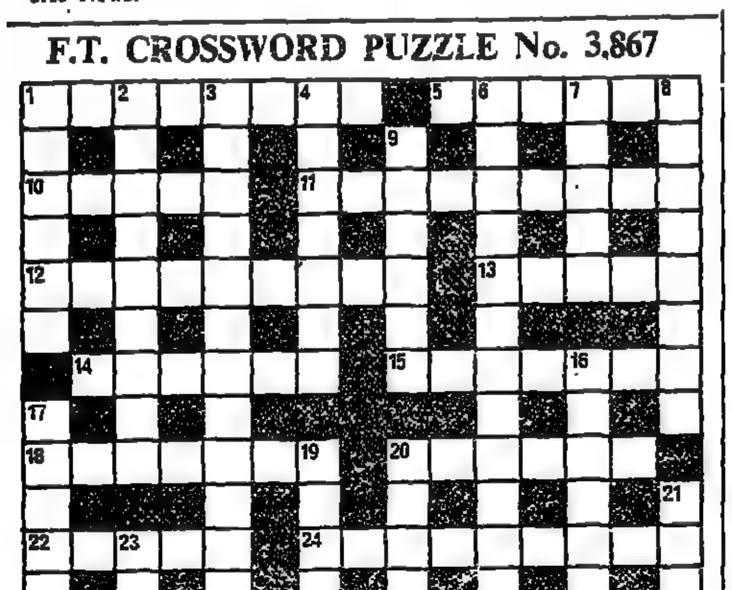
Capital Radio

6.00 am Graham Dene's Breakfast Show (S). 9.00 Michael Aspel (S) 12.00 Mike Allen (S). 3.00 pm Roger Scott (S). 7.00 *London Today (S).* 7.30 Adrian Love's Open Line (S) 9.00 Nicky Horne's Your Mother Wouldn't Like It (S) 11.00 Tony Myatt's Late Show (S) 2.00 am Duncan Johnson's Night Flight (S).

London Broadcasting

5.00 am Morning Music. 6.00 AM: news, information, travel, sport. 10.00 Brian Hayes Show. 1.00 pm LBC Reports. 3.00 George Gale. 4.00 LBC Reports (continues) 8.00 After Eight. *9.00 Nightline. 1.00 am Night Extra.*

F.T. CROSSWORD PUZZLE No. 3,867



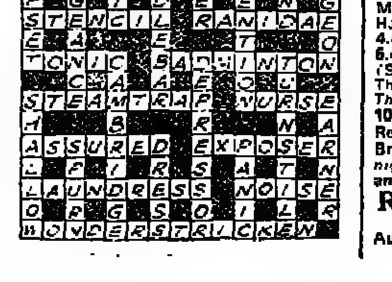
ACROSS

1 Belittle small car going by *motorway to the south-east* (8)
5 Boss I ring in part of radio station (6)
10 Be indebted in a way and created a disturbance (5)
11 Management providing free entertainment to workers before start of tea (9)
12 Insolent about ringleader being incautious (9)
13 South American doctor going to a dance (5)
14 Literally music in short or laboratory indicator (6)
15 Embittered row of soldiers *went first* (7)
18 Sudden occurrence but not in a season's yield (7)
20 Silver in mud? It's an illusion! (6)
22 Took a picture containing an animal (5)
24 Ascertained from symptoms and small diagram rooted out (9)
25 Learned accidentally about start of report in indirect cost (9)
26 Fret about gas being installed in restaurant (5)
27 Orientals going round cir-*cuits pass by* (6)
28 Increasing credit to Easterner with perfume (8)

DOWN

1 Spoil spirit yet make profit (6)
2 Fresh race for paper (9)
3 and 7 Daytime reverie in the middle of winter? No, just the opposite (9-6, 5)
4 Dogs for compilers (7)
6 Suitor cuts in and changes play (5, 10)
7 See 3
8 Externally moving us to ward (8)
9 Counsellor for people on hill (6)
16 *Member is after time to make* laws (9)
17 Doctor with no bodily firm-*ness could be repeating* sounds (8)
19 Salesman in well-equipped larder (6)
20 Wander listlessly with me and hesitate to follow (7)
21 Notice opening of feast (6)
23 An age coming up to the sporting scene (5)

SOLUTION TO PUZZLE No. 3,866



ENTERTAINMENT GUIDE

OPERA & BALLET

[illegible]

THEATRES

[illegible]

THEATRES

[illegible]

CINEMAS

[illegible]

TRAVEL

[illegible]

THE ARTS

Half Moon

Guys and Dolls

As *Guys and Dolls* is my favourite musical that I've never seen on the stage, not even the knowledge that the *Half Moon* were about to present it with a cast of seven could shorten my stride into East London. When I first saw the 1955 film version with *Frank Sinatra and Marlon* Brando, I thought it odd the way the actors made with the language, pushing and shoving it around like they had no respect. Then I read some Damon Runyan, listened to the original cast recording and realised what a good thing I was not on to, even if in to.

The book, by Abe Burrows and Jo Swerling, is sheer linguistic delight and much of it, especially in the first half, lifted happily and heavily from Runyan's short story, "The Idyll of Miss Sarah Brown." Sarah is a Salvation Army lass who, while attempting to save souls on Broadway, is eyed by top crap-shooter Sky Masterson and whisked off to Havana as his part of a bet with Nathan Detroit, another hot gambler. Nathan's romance is with Miss Adelaide, a show-stopping night-*club girl with the memorable* instruction for Nathan to take back his mink "to from whence it came."

In Robert Walker's witty fringe production, which never allows you to forget the straitened circumstances from whence it comes, the ensemble numbers are by far the most successful. Sarah is *sweetly played by Lizza Aitken*, but she does not make so good with the big songs, whereas *Maggie Steed as Adelaide* make a little too good with hers, but that we can forgive her maybe on account of her *shooting her neck around like* a starving hen and wrapping herself up most attractively in pink chiffon and gold lurex corset.

A modest trio of piano, bass and percussion flatten too many numbers into bland foxtrot *rhythm, but I loved* the presentation of "Sit Down, You're Rocking the Boat," the famous Stubby Kaye song given nice point and lilt by Matthew Roberton. Robin Hooper is amusingly versatile as the Times Square cop Brannigan, the female Salvation Army General and assorted hoods, and Maurice Colbourne—whom *it is especially pleasant to see* here once again on account of his being a founder director of the *Half Moon* — *is a craggily* lugubrious Nathan.

MICHAEL COVENEY

Leonard Burt

Jim Hooper, Maggie Steed, Matthew Roberton and Robin Hooper

Purcell Room

PLG Young Artists

The Park Lane Group has been forced this season to impose severe restrictions on the scope and the number of its concerts. The admission of severe financial hardship, and the ominous warning that "unless substantial amounts of money are found, the Group will have considerable difficulty in continuing its activities at all," is something that should send a shiver through all musically concerned people in London. Meanwhile, though, one of the most important and worth while of those activities—the annual January week of young performers and 20th century music in well-judged combinations — has been preserved unharmed and in full form; the first concert of the 1979 PLG week took place on Monday.

A casual pre-concert glance at the five programmes suggested that this year's selection of works ranges perhaps less widely, and perhaps less stimulatingly, than in the recent past—it seems that the various fringes of musical activity have been somewhat excluded. Yet by the side of most South Bank concerts large or small, the sense of adventure captured in the juxtapositions of fresh young performers and tough, interest*ing contemporary* music remains as exhilarating and as necessary as ever.

*The soloists at the first con*cert were a violinist, the Australian William Hennessy (partnered at the piano by Julian Dawson-Lyell) and the pianist Yolande Wrigley. It was by the violin that the novelties were presented—first *Rant* by Edward McGuire (*b.* 1948), an engagingly bold-spirited solo, tinted by the sounds and the sense of the Scots national fiddle dances, which served as test piece for the 1978 Carl Flesch competition; and Giles Swayne's Duo for violin and piano (1975), a characteristically fertile, quick-*witted, elegantly executed* invention inspired by images of the Loch Ness monster.

To both, and to Don Banks' early (1953) violin-piano sonata, a composition at once attractively precise in musical matter and prolix in its development, Mr. Hennessy brought the immediately perceptible virtues of a well-schooled technique—clean bowing, energetic attack, sure intonation—that has been cultivated from an even more immediately apparent natural *aptitude for the instrument.* What he seems to lack, so far, is a range of individual, poetic *tone colours, a singing, shining* sonority that is all his own.

Miss Wrigley, a pupil of Bernard Roberts, confined herself to modern French classics—five of the Debussy Studies, and three of Messiaen's *Vingt Regards.* There was something *formidable*, and *also something* a little disconcerting, even chilling, in her presentation of both composers. Intellectual understanding was strongly evident, and admirable in such things as the definition of the special character in each Debussy study. But of the magical, incantatory, or dazzling elements in both composers—different, of course, *but equally significant in each* —there was little trace. The piano very seldom sounded *clear, picturesque, or beautiful*, and in the music Miss Wrigley played it should have.

MAX LOPPERT

Television

Ringing in the new

by CHRIS DUNKLEY

Now that the season of good *will and ghastly old tat is over*, the air waves are chock-a-block with new material: new drama serials, new situation comedies, and new factual series — all packed around with the expanded polystyrene of holiday programmes and holiday commercials. In fact so many genuinely new series (as distinct from new runs of old series) have started in the last week, or are starting in the next few days, that one column will not be enough to deal with them.

However before coming to those series there are a number of single programmes which deserve comment.

In Search Of Offa from BBC Manchester was a documentary of a fairly familiar sort, collecting together the evidence — archaeological, incunabular, geographical — about the life of a particular historical figure, in this case King Offa. Producer Derek Towers put the story together efficiently enough, but the particular interest for me was in presenter Michael Wood. His enthusiasm and learning and his ability to impart both brought to mind several other highly successful television presenter/academics: Professor W. G. Hoskins, Sir Mortimer Wheeler, and Professor Alec Clifton Taylor. The big difference is that Wood looks, dresses and acts as though he is about 25 and that is tremendously refreshing and encouraging for those of us who consider this type of programme to be among television's most successful.

BBC1's *Let's Go Naked* was a study by producer Adam Clapham and reporter John Pitman of the rapidly increasing business of naturist holidays (15m stripped last year). They earned top marks for dealing calmly with a subject so often sniggered at in Britain. However, the desperately contrived avoidance of below-the-waist pictures — presumably from *terror of accustations of* voyeurism—and the absence of a single really good looking body (all on the cutting room floor for the same reason?) eventually became the most noticeable and distracting aspect of the programme.

Thames Television's version of the RSC *Macbeth* showed what simple yet marvellous *things can be done with Shake*speare on the small screen, especially with a well rehearsed cast of leading actors. Ian McKellen's similarity, with his Brylcreemed hair, to the thinner Kray twin was uncanny but perhaps quite suitable. While being glad of the richness in having two British television companies offering Shakespeare, this production did make one more anxious than ever about the BBC's traditional and *naturalistic rendering of the* complete works, of which there are still 34 to go.

The "Play For Today" from BBC Birmingham, *The Out Of Town Boys*, about Irish builders cheating, drinking, and fighting in the lavatory, was plain nasty from start to finish, and rare in having no redeeming features whatsoever: plot, dialogue, and characters were all offensive.

Roy Kendall's ATV play *The Children of The Gods* took a much more interesting subject (a religious cult which separates its members from their families) and was nearly very good. However it was too long and never quite convincing enough about the appeal of the cult or about the faults—cosiness, hypocrisy *and so on—of the parents.*

Anthony Andrews in 'Danger UXB'

And so to the new series. Presumably as part of an economy drive, BBC1 seems to have started making two drama serials for every plot. Their current story involves a young Englishman flying to an exotic island, booking into a modern hotel, running into a mystery about which the local men seem to know a lot more than he does, having his room broken into, then spending long *periods with a stunning local* blonde, driving very fast along sunny coast roads with scenic mountainous backgrounds.

Last Wednesday they showed Episode 1 of this story under the title *The Aphrodite Inheritance* (only imagination suggested it was called *Who Pays The Lotus Eaters*) and on Friday they also showed Episode 1 but called it *Running Blind: different actors,* different islands, different cars but all easily interchangeable —not unlike a series of long Martini commercials with added gunshots.

Another new series, new to Britain anyway, also made *slavishly to formula is Chips*, acronym of the California Highway Patrol, represented in *London Weekend's Saturday* evening series by a couple of motorcycle-mounted cops named Jon and Ponch and a black policewoman named Robbie who drives a car. In Episode 1 they accompanied two articulated tankers full of chlorine gas on a short journey and the only *incidents were a group of drunk* farm hands shooting wildly from their van, a multiple car crash, an escaped tiger, a landslide, a leak in one of the tanks, a set of uppity townsfolk barricading the highway, and one of the artics coming apart.

Rubbish of that sort makes you realise how good our homemade nonsense can be. In *Dick Turpin, for instance*, London Weekend themselves have produced a much more entertaining series and one that is full of strongly drawn—*if familiar*—characters. The grasping county sheriff Sir John Glutton (!), his sneering thief-taker Captain Spiker, the young lad from the inn who is a golden hearted tearaway, and his hard working widowed mother who is threatened with eviction by Sir John are hardly the most *original of creations. No more* is Turpin himself.

However, by casting against type and using the well-liked Richard O'Sullivan in the title role, producers Paul Knight and Sidney Cole have achieved half their presumed object before *shooting a foot of film*: that of turning a rather terrifying thief into another lovable rascal in *the Robin Hood mould. With* Turpin making a fool of the sheriff, lots of slick swordplay, plenty of wild Fairbanks style leaping from galleries, and well prepared filming on good locations, it all looks very promising. Turpin has taken young Swiftnick under his wing, and the series is set to rival the very best of the old Saturday morning cinema serials.

Dick Barton, Special Agent looks as though its producers at Southern might be hoping for success in *precisely the same* area, but since they have remained absolutely faithful to the radio original's tone, atmosphere, language and ethics I cannot imagine that 1978 children will be particularly interested. We 1948 children are already hooked again, of course: "Jock! Snowey! Aaaargh!" Dum diddle um diddle um *diddle um . . . .*

And that, in drama, brings us finally to the two most ambitious and interesting of the new bunch: *Telford's Change* from BBC 1 and *Danger UXB* from Thames.

For the first half-hour of the lengthy opening episode, *Telford's Change* looked suspiciously like a smarmed up version of *The Brothers* or an EEC version of *Mogul* or a 1979 rehash of *The Venturers* or a latterday reworking of *The Power Game* or—well, you get the idea. Slowly, however, we began to see the possibility that it had intentions pitched higher than the mindless escapism (however enjoyable) of *Dick Turpin, Chips, Dick Barton, Running Blind, The Ferryman's Inheritance* and all the other television comic books.

Even now, without seeing more episodes, it is impossible to be completely sure, but the combination of Brian Clark's writing and Peter Barkworth's acting did seem to be producing some depth of character from which true drama might later emerge. It seemed so, to be precise, at the moment when international jet-set banker Barkworth went dewy eyed remembering the simplicity and certainty of a life dedicated to getting the cross-casting right; a small hook on which to hang a sizeable hope, but we shall see.

Danger UXB (unexploded bomb) seems pretty clearly to be a cut above the average war series and to be quite unconcerned, thank goodness, with the replaying of nationalist hostilities. From the opening moments it showed a hard edge of social realism which is very rare and quite unmistakable on television: *Z Cars* often had it, and *Upstairs Downstairs* sometimes—not so surprising, perhaps, since John Hawkesworth produced *UD* and is the writer/producer of *Danger UXB.*

Once again there is room for the drama to *grow out of* character — the characters of officers, NCOs and men of 97 Bomb Disposal Company. And while the de-fusing of a bomb was the predictable climax of Episode 1 (though it surely cannot be used as a climax every week) by far the most interesting aspect of the drama was the developing relationship between the new young officer and his squad. *Danger UXB* is certainly the most interesting newcomer *so far this season. More new* series next week, however.

Elizabeth Hall

Michel Dalberto

by DOMINIC GILL

I disagreed profoundly with the jury's decision last September at the Leeds International Piano Competition to award first prize to the young French pianist Michel Dalberto. His performance in the last two rounds of the competition showed unmistakable talent (few musicians reach the final stage of any international competition without serious reason); but I found little in the playing *of exceptional interest. It was* a safe verdict, which allowed the evidently competent and *attractive to pass in the place of* real, dynamic and dangerous (but by its very nature fallible and vulnerable) talent; a verdict which recognised the safe virtues of predictable efficiency, ease and conventional approach —and by the same token allowed the more subtle and controversial virtues of originality, eloquence, poetry and fire, still more crucial but far less palpable of definition, to go by the board.

In Leeds, I found Dalberto's sequence of nicely turned, small-scale performances fluent but *oddly featureless: never* less than well schooled, firm and lucid, but without real centre, real daring. His South Bank debut recital on Monday evening confirmed and amplified those reservations. The programme was the third of the *present series called* Mainly Slav —and on this occasion, for the manner of its presentation, it might have been better entitled Very French. Dalberto's opening performances, of Prokofiev's *Sarcasms* and Mozart's D major sonata K311, were the very quintessence of nonchalant elegance: in the *tempestoso* of the *Sarcasms* all poise and good manners, without a trace of granite, or grit, or razor-edge *glitter*; in the *precipitato* fleet-fingered but never remotely diabolical; in the dark *smanioso* No. 4 no more than prosaic, without a glimpse of its smouldering, manic rhetoric.

Dalberto's Mozart was crisply enough articulated (though sometimes rhythmically unstable): but such a quick, mechanical delivery became very soon predictable—a surface study for fingers, delivered with elan, but without lyrical instinct or heart. The first of a group of Skryabin pieces, the little *Feuillet d'album* op. 45 no. 1, was suddenly in a *different* class entirely—fresh, calm and languorous, a study of the greatest refinement, *beautifully played.* But there is more to Skryabin than floating timbres, *pur et limpide*; in the ninth sonata there are flashing lights, and currents of dark frenzy, which Dalberto chose to pass by entirely.

His second half was devoted to Schubert's *D major* sonata D850: an account more remarkable for its lack of fine detail and subtle working than for any positive fault—and in its avoidance of any kind of epic stance or forceful dramatic pointing, once more strangely prosaic. *The text was inescapably that* of Schubert's sonata: but delivered as a rote, not as a revelation, without magic.

Exhibitions at the National Poetry Centre gallery

The New Year sees an important new development at the Poetry Society's headquarters at 21, Earls Court Square. In line with a policy of maximum utilisation of the Society's building, starting this month, the ground floor events room will also serve as a small, permanent art gallery.

The new National Poetry Centre Gallery will be devoted to monthly exhibitions of prints, graphic work and photography. Though by a happy coincidence two out of the first three artists exhibiting are also professional poets, it is not intended that work exhibited should necessarily have any connection with poetry.

The programme of exhibitions from January to March is: January 8-31: *Photographs* by John Stathatos; February 5-28: *Collages* by John Digby; and March 5-31: *Wood Engravings* by Monica Poole.

The gallery will be open from 10 am to 5 pm, Mondays to Fridays, and on most evenings. There is, of course, no charge for admission, and work exhibited will be available for purchase.

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Wednesday January 10 1979

Public sector principles

BEFORE THE TENSE preliminaries now in progress about public sector pay have had time to surface in open disputes, the unions concerned with the public services have joined forces to present their views on the right way to plan public services. They have produced some helpful thoughts on the difficulty of planning public services, but have also inadvertently explained why public sector pay claims, even in a year of irresponsibility, have a special flavour of cloud-cuckoo land.

Services provided

The central complaint of the unions is that the planning of public spending is presented almost exclusively in financial terms. There is no attempt to describe and measure the services actually provided. Services, they argue, should be explicitly planned in relation to changing demands and changing needs, and set out appropriately—the number of children educated, the effectiveness of police cover, and so on. If financial stringency demands a rise in the rate of infant mortality, they say, the fact should be made explicit, so that Parliament can take decisions with its eyes open. One might less emotively substitute potholes in the roads, or longer delays in answering Government letters; the principle is sound enough.

Unfortunately the unions—which demand, predictably enough, to be consulted about everything at every stage—no sooner introduce one sound principle than they throw out another. Everything is stated in terms of services provided and jobs created or preserved. There is not only no mention of wages or money costs, but a specific call for the abolition of cash limits. In other words the unions, which accuse Parliament in effect of planning services on a cost basis only, which is at most a half-truth, new demand planning in "real" terms only, with no regard to financial cost, which is pure moonshine. It is little wonder that unions which think like this can demand 30 per cent to restore ancient differentials or 40 per cent for "fair pay," with no sense of absurdity.

The fact is, as the unions well know, that before cash limits were introduced, planning in "real" terms had destroyed all financial discipline. The result was that when the public sector unions secured large settlements in 1974-75 on grounds of restoring differentials, the government borrowing requirement reached twice its planned level, and the financial consequences — a murderous squeeze on private sector credit, and a subsequent collapse in the exchange rate—caused a sharp cut in output and in living standards. The Government learned the lesson, and now rightly insists on financial discipline as a basic condition for a stable and predictable "real" environment. The unions appear to have learned nothing whatever.

Of course a rational financial policy cannot guarantee rational behaviour by everyone else; it can only ensure that irrational behaviour produces quick and unpleasant results. In the private sector this lesson seems to be sinking in; the more exposed production industries, at least, show some awarness of foreign competition, the implications of restricted credit and a consequently firm exchange rate. Today's banking figures, and the fact that the exchange rate has not been depressed by the present wave of militancy, drive the message home: excessive cost increases — including indirect costs imposed by service industries — will mean lost markets, lost output and lost jobs.

Out of line

Cash limits cover exactly the same message for the public services: real prospects must suffer if costs get out of line. The old presumption that cash would always be found to carry out "real" plans, regardless of cost, is explicitly rejected. That is why the unions want them abolished, and why the Government must reassert their primacy. Monetary discipline has the same message for the private and public sectors: immoderate wage settlements destroy jobs. As long as Ministers ram that message home, instead of trying to contrive modest coverings out of the rags of the 5 per cent policy, the Government is fighting inflation in earnest, and for the long term.

Western aid for Turkey

IT HAS TAKEN the West a long time to wake up to the full implications of the crisis that is threatening to engulf Turkey. The country's economic problems have long been well known. But until quite recently the prevailing view has been that they could be resolved by classic methods of international funding through the IMF and debt rescheduling. When NATO Governments decided last May to look into the problems facing the weaker members of the Alliance, Turkey was seen as sharing equal priority with Portugal and Greece. In the past few weeks, however, the pace of events has quickened and the rapid putting together of a special emergency aid package for Turkey is evidence of the new sense of urgency now felt in Western capitals.

Upheaval

The Turkish Government may not be satisfied with the scale of the effort, of which it is expected to be informed by Mr. Warren Christopher, U.S. Under-Secretary of State, in Ankara today. But it should at least be reassured that Turkey's problems are being taken seriously by its allies at the highest level. There is now a growing recognition in NATO that Turkey faces not merely the threat of economic collapse but potentially large-scale political and social upheaval which could jeopardise its position as a member of the Western alliance. The risk was tacitly acknowledged at the Alliance's pre-Christmas Ministerial Council, which gave the go-ahead for an unprecedented economic aid effort for Ankara. The clear message was that Turkey's economic difficulties had reached the point at which they were threatening the security of the entire Alliance.

The reasons for the sudden increase in Western anxiety are not difficult to find. The Iranian crisis has in many ways overshadowed developments in Turkey. But it has at the same time dramatically underlined the instability of the area bordering the Soviet Union from the Bosphorus to Afghanistan.

If further warning were needed, it was provided by the Christmas riots in Eastern Turkey which left 100 dead and obliged Mr. Bulent Ecevit, the Prime Minister, to declare martial law in 13 of the country's 67 provinces.

The West's fear is not so much that Turkey will suddenly decide to leave NATO, dismembering the Alliance's Eastern flank, and embrace either neutrality or a new relationship with the Soviet Union. Mr. Ecevit has uttered dark warnings over the past 12 months of possible changes in the country's defence posture. But he has never spelled out what this might mean in practice and the main purposes of such warnings would in any case now appear to have been achieved—he has secured the removal of the American arms embargo, and, now, substantial extra economic aid. What really worries the West is the possibility that Mr. Ecevit might lose control and the country collapse into anarchy or civil war.

Mr. Ecevit maintains that he can only preserve democracy in Turkey if large-scale Western aid is forthcoming. If he is right, then it is obvious that such aid must be given—even if it means bending the normal rules of IMF supervision. It would also be helpful if the EEC countries could show a little greater sensitivity towards Turkish feelings in the wake of their decision to negotiate Greece's entry into the Community as its tenth member. It is quite understandable, even if misguided, for Turkey to draw the conclusion that the Community will henceforth side with Greece in the seemingly interminable series of disputes between the two countries.

Solidarity

But if the case for helping Turkey is overwhelming, there is also plenty that Ankara can do to reciprocate. It is high time for solutions to be found to the festering Aegean demarcation dispute with Athens and the related issue of Greece's reintegration into NATO's military framework. Neither side is blameless in the continued stalemate over Cyprus, but it would not be difficult for Ankara to show itself a little more willing to find a lasting solution. Both Cyprus and the Aegean are causes of serious concern to the other NATO allies. They are entitled to expect that alliance solidarity should not be only a one-way process.

The omens for a Communist federation in Indochina

BY DAVID HOUSEGO, ASIA CORRESPONDENT

THE Vietnamese would have the world believe that there has been little more than a change of government in Cambodia, and one for the better. In their view, the brutal regime of Premier Pol Pot has been replaced by a nationalist administration that seized power in a liberation struggle and which is now pledged to reverse Pol Pot's draconian policies.

In fact, of course, Vietnam's lightning invasion of Cambodia—a campaign that has made it effective master of most of the country in under three weeks—amounts to a redrawing of the map of Indochina. The new Cambodian regime has established an eight-member Revolutionary Committee to run the country under President Heng Samrin, 44, a military commander under Pol Pot who tried to overthrow him in May last year. But it will be even more under the shadow of Hanoi than the feeble government in neighbouring Laos. Vietnam has some 40,000 troops in Laos to prop up the Communist Pathet Lao administration which has failed to establish a grip on the country since it took power over three years ago.

Ho Chi Minh's old dream

To the member states of the Association of South East Asian Nations (ASEAN), this consolidation of the three states under the wing of Vietnam looks suspiciously like the fulfilment of Ho Chi Minh's old dream of a Communist Indochina federation. As such it has reawakened all the ASEAN states fears after the collapse of Saigon in 1975 and the American withdrawal, of a militant communist bloc in South East Asia hostile to their own form of government and a threat to their security. Events could certainly turn out this way.

But one of the most striking features of the last three years in South East Asia has been the contrast between the comparative success of the ASEAN states in managing their economies and internal affairs and the continual squabbling between the Indochina states whose economies have fast been slipping downhill. The ASEAN members have notched up annual growth rates of about 6 per cent and until now have enjoyed relative political stability. The Indochina states have failed to put down resistance to their regimes: and to the disruptions of war and the "socialist" reorganisation of their economies have been added disastrous floods and drought.

Vietnam now has on its hands not only the problems of reviving its economy and reconciling the South to rule by Hanoi: it is potentially bogged down in garrisoning both Laos and Cambodia.

The Vietnamese seem to be deeply unpopular in Laos and Hanoi has had to send home some of its soldiers who have got involved in quarrels with the local population. They were disliked just as much in the last century, when the French brought in both Vietnamese workers and later soldiers to put down a tribal rebellion. The history of Khmer (Cambodian) hostility to the Vietnamese runs even deeper.

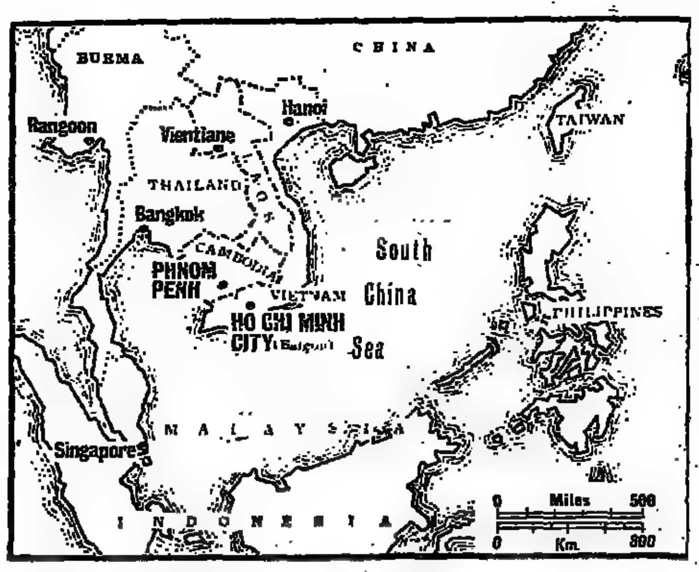
In handling this potential unrest and in reviving development projects, Vietnam's task will be made more difficult by the increased isolation from its South East Asian neighbours and the major industrialised states that is likely to be the immediate price of its invasion. Donor nations like Japan have already said they will review their aid programmes to Vietnam—though in Japan's case there are practical problems to a sizeable cutback—and Vietnam can rule out the help from the U.S. which had seemed on the cards. That leaves as its only major source of assistance the Soviet Union and the Comecon bloc, which are short of funds themselves.

At first glance the complexity of shifting governments and frontiers in Indochina looks like an insoluble jig-saw puzzle. But in fact the main divisions are surprisingly clear and have had a long historical continuity. Khmer (Cambodian) national pride has its roots in the immense Angkor kingdom which, in the early centuries of this millenium under the ancestors of Prince Norodom Sihanouk, covered one of the largest territories in South East Asia and left as a monument to its civilisation the magnificent temple of Angkor Wat. But after the 16th century the kingdom prey to expansion by Thailand from the west and Vietnam from the east until the French, in the mid-19th century, salvaged the Cambodian state through establishing a French protectorate.

Thailand is the one South East Asian state that escaped European colonisation and developed its distinctive national culture through a succession of kingdoms which at the height of their power pushed across Cambodia and Laos to challenge the Annamite empire of Vietnam. Continuing Thai apprehensions of Vietnam were reflected in Thailand's decision to let the Americans use it as a staging post for the bombing of Vietnam.

Vietnam had its origins 2,000 years ago in a small state in what is now the north of the country. Much influenced by Chinese civilization but resentful of repeated Chinese invasions, the Annamite rulers developed an increasingly powerful state, that pushed southwards to the rice bowl of the Mekong delta and westwards as far as Laos — the smallest state on the peninsula and which has repeatedly seen its independence lost to Thais, Cambodians and Vietnamese.

For the Chinese, Vietnam — and indeed Indochina — has always seemed an area over which they had the right to either influence or suzerainty. In



the past they would have resented Vietnam's pretensions to the leadership of an Indochina federation as they do today; and in the 19th century they equally resented European colonisation of the peninsula as they now object to Russian intrusion there.

This pattern of continuing rivalry was frozen by the French colonisation of the last century and more recently by American intervention. After the Second World War, North Vietnam emerged as the only South East Asian state to be Communist-led. The movement spread to Cambodia and Laos, giving an impression after the U.S. defeat in 1975 of more unity among the Communist states than there actually was.

But alarm at the possibility of an expansionist Communist movement caused other South East Asian leaders to club together to form ASEAN in 1976 as a vehicle for economic co-operation but also for consulting on mutual security. One of the effects of Vietnam's invasion of Cambodia is likely to be to strengthen the so far muted security side of the Association.

Everything has gone wrong

Almost since the end of the Indochina war, everything has gone wrong for the Communist states. The Khmer Rouge regime in Cambodia attempted a social and economic revolution that emptied the towns and left misery in the countryside. Under Pol Pot's fundamentalist philosophy Buddhism was banned, money abolished, marriages fell under the control of the state, which organised the family unit, the population was shifted in large numbers to agricultural areas to build dams by hand while industry was spurned. Tens, possibly hundreds, of thousands of people died.

But in addition to provoking this domestic upheaval, Pol Pot became involved in a succession of quarrels with Vietnam. Armed clashes occurred in 1976 over border districts—where the population was often mixed Cambodian/Vietnamese — and over the ownership of islands in the Gulf of Siam. Vietnam agreed to return these to Cambodia.

Then last year came particularly brutal attacks by Cambodian forces on Vietnamese villages and towns in the Mekong Delta region between Xa Mat and Ha Tien. Bodies of Vietnamese were left badly mutilated. The Vietnamese temporarily abandoned parts of this fertile region. How the conflict escalated is still not clear. Pol Pot may have been pursuing a ham-fisted chauvinist policy and he was almost certainly encouraged by the Chinese, who saw Cambodia as a counterweight to Vietnam. The Vietnamese equally provoked the Cambodians by incursions of their own. About 150,000 refugees from the Pol Pot regime moved across the border—many of whom became recruits for the insurgency movement that the Vietnamese began to promote. By December 1977 the conflict came out into the open as the two sides publicly attacked each other.

At some point after that, the Vietnamese leadership must have decided that Cambodia under Pol Pot had become too great an irritant and that he had to be removed. They set about the operation using the same careful planning with which they conducted the war against South Vietnam, slowly grinding down the Cambodian forces in battles in the Parrot's Beak and Fish Hook area before launching their major offensive that carried them to Phnom Penh.

Vietnam might not have resorted to such a drastic solution had it not had such major domestic political and economic troubles. The irritant of Cambodia—and the belief that China would go on exploiting it—proved too much. Victory in the Indochina war ended the drain on the economy of the north, but it also meant the end of U.S. aid pumped into the south. Hanoi sought both to pursue a policy of reconstruction and of socialist transformation. Large numbers of people were moved from cities in the South—above all Ho Chi Minh city (Saigon) to the New Economic Zones and collective farms. Industry and commerce were increasingly turned over to the state. The educated bureaucracy of the south was shipped off to re-education centres and the administration put in the hands of northerners often unqualified for the job but who irritated southerners by their ostentatious living styles.

On top of this dislocation came three exceptionally bad harvests as the result of drought, heavy rainfall and flooding. There was a 2m ton shortage of rice in 1977 which doubled last year. More stringent rationing was imposed which led to the spread of the black market—largely in the hands of the Chinese, who are the traditional commercial class. In increasingly desperate economic circumstances, the Vietnamese looked more and more to the U.S., dropping their demands for war reparations as a prelude to normalising relations, and seeking aid and investment. But they had no joy.

At the same time as Vietnam's conflict with Cambodia grew, so the Chinese created a diversion by increasing their forces on the border with Vietnam. This was partly in response to what the Chinese considered as unjustified Vietnamese action in forcing ethnic Chinese out of Vietnam. But the combination of growing Chinese hostility and a deteriorating economy finally forced the Vietnamese to turn more to the Russians and to Comecon. In retrospect the 25-year Treaty of Friendship between Vietnam and Russia signed at the end of last year was more an attempt by the Vietnamese to safeguard themselves against reprisals from China after the invasion of Cambodia, than a vehicle of increased aid.

One of the ironies of the present situation is the clumsiness with which the Chinese have handled their diplomacy in Indochina. Well before the collapse of Saigon, friction had developed between China and Vietnam — particularly over President Nixon's visit to China in 1972. But in their attempts to counter Vietnam's influence, the Chinese first allowed themselves to be drawn into supporting the Pol Pot regime to a point they found embarrassing and then demonstrated to the rest of South East Asia that they could not protect it. As a result of such blunders, the Thais will look very carefully now at Chinese proposals for supplying guerilla supporters of Pol Pot through Thailand, which provide the only means of access to the interior of Cambodia. The Thais are also irritated by Chinese support for the Thai Communist party.

Vietnam already has a Treaty of Friendship with the third member of the federation, Laos. The pattern this has established of close government co-operation in which officially the identity of nation state is preserved is likely to become the model of Vietnam's relations with Cambodia. Vietnam has been increasingly drawn into Laos—initially probably against its better instincts—by the threat of the Pathet Lao regime being overthrown and the country's need for economic assistance.

The potential of such a Communist federation is that it could exploit one of the richest river basins in the world through harnessing the Mekong river. But to the ASEAN states it threatens a polarisation in South East Asia between conflicting political and economic systems. The weakness of the ASEAN nations is their lack of homogeneity and the potential fragility of their social structures. Malaysia is beset with a serious communal problem between its Chinese and Malay inhabitants, as to a lesser extent is Indonesia.

Vulnerable Thailand

By far the most vulnerable state in the new situation, however, is Thailand. The policy of its leader, General Kriangsak Chamanan, has been to seek an accommodation with the Communist states—but this may prove increasingly difficult with a Vietnamese army positioned on his border. The more hard-line military commanders would probably like to see Thailand encouraging insurgency against the new Cambodian regime, though for the moment they seem to accept the Vietnamese invasion as a fait accompli.

A casualty of the invasion will almost certainly be the elections under the new Thai constitution scheduled for April, but which the military might now think could provide a dangerous explosion for extremists on both sides.

Vietnam, even before it has consolidated its military position in Cambodia, now seems prepared to hold out the olive branch in an attempt to regain friends, aid and investment. Both the ASEAN nations and the West are likely to treat this with suspicion. The price of its invasion will almost certainly be a period of increased isolation in which it will be tempted to turn increasingly to Russia for help. The Russians want naval base facilities at Cam Ranh Bay on the South China Sea and could press for these as the price of further assistance.

Though all the major powers are anxious to avoid becoming embroiled in another costly morass in South East Asia, the area seems to have a knack of drawing outside powers into its disputes. The French came with the obvious intention of turning them to colonial advantage. The Americans got drawn in during the 1960s almost without noticing it.

At the moment China is putting first priority on developing its economy rather than in settling scores in Indochina. But with the Russians, the Chinese and the Americans having a stake in the region, the danger of conflict is always there, however remote.

MEN AND MATTERS

Split up—and sell up

The financial consequences of plunging into divorce are now even more punishing for German executives than for their counterparts in Britain. The Duesseldorf financial consultants, Interfinanz, say in their 1978 report: "It is virtually impossible for a businessman to divorce his wife without having to sell his business." The new divorce laws, says Interfinanz, require liquidity on the grand-scale.

Nor do the divorcee's troubles end there: "It is no longer certain that one can sell a company with a turnover of more than DM 2m." Cartel legislation often requires a special permit. A special catch applies if you want to throw in the towel. "It is hardly possible," says Interfinance, "to dissolve a firm with a workforce of 100 without causing bankruptcy for the employer because of statutory redundancy payments."

In lighter vein, after its tour round the year's bad news, Interfinanz ends with a fresh definition of hell. It is a place where "The English produce the pop music, the Americans the architecture, the red Chinese the fashion, the Italians the budget, the Russians the hotel service, the Dutch the ethics, and the Bonn Ministry leaders a new cartel law every year."

Two wheel deal

The public appearance of Transport Minister William Rodgers this morning will be unexpectedly topical. It may also give a modicum of inspiration to Southern Region commuters kept from work by the ASLEF strike.

Rodgers will be performing in Piccadilly—on a bicycle. Photographers have been invited to attend: some will no doubt come straight from faking pictures of the paralysis at such places as Charing Cross and Victoria. After Rodgers has climbed off the saddle, a Government film will be shown in a nearby cinema: also quite appropriately, it is called "Free Wheeling." Perhaps the Minister's message to Britain today will be: "If all else fails, buy a bike."

Fast version

Having welcomed a plethora of new versions of the Bible since the war, the Church of England obviously felt it was unreasonable to disapprove of a proposed Reader's Digest condensed version. The condensers, who have stripped away the "inessentials" from most of the classics, are planning to get the Bible down by 40 per cent, at least some of which will be the long stories of begetting. "If it led to increased reading of the other 60 per cent," said a church spokesman guardedly, "I can't help feeling a good many church people would think it very worthwhile."

Brown studies

When Mervyn Brown flies to Lagos at the end of this month to take up the post of British High Commissioner to Nigeria, he will be starting a spell of willing bachelorhood. His wife Beth will stay in London to complete a Ph.D. on cancer cells at the Chester Beatty Research Institute in Fulham.

The Browns mnet as undergraduates at Oxford in the 1940s. Then she was reading modern languages, but in the course of a diplimatic life that has taken them to places as far apart as Argentina and Laos, she has gained two medical degrees.

"Beth will come out for holidays," says Brown philosophically. He will occupy himself with fostering the links between Britain and Africa's most populous country and playing jazz on his clarinet. "Jazz has its roots in West Africa," he points out.

Although his Far Eastern experience included a spell as

"... and now an action replay of that Office of Fair Trading decision."

a prisonesr of the Pathet Lao, Brown regards Africa as his foremost area of expertise. Last month he had a book published on Madagascar and fancies that he may write a longer one on the same island during his stint in Nigeria.

Macho men

A cosy vision of togetherness emerges from the report on last year's bids and deals from merger midwife Nicholas A. H. Stacey, deputy chairman of Chesham Amalgamations and Investments. Takeovers, he says, grew apace to over 500, and their value in 1978 was a good billion pounds. "An interesting feature of the 'takeover' business during the past year or so," asserts Stacey, "has been the virtual absence of any company chairman hell-bent on fighting contested bids, and anxious to demonstrate his virility."

Stacey even seems a little wary of the word "takeover," fencing it in with inverted commas, and pointing instead to "leisurely conversation about getting together."

It all makes the Stock Exchange sound as chummy as a singles' club. There are, of course, other versions of Bids and Deals 1978. One is that the amiable public surface has more to di with steering mergers past the Office of Fair Trading than with any new-found friendliness between predator and prey.

There was, I seem to remember, a distinct absence of cooing noises during Lonrho's strenuous efforts to take over SUITS. Nor has the New Year woken up to a chorus of agreement between Guthrie's and Sime Derby, and the English Property Corporation is preparing to fight off the unpronounceable NV Beleggingsmaatschappij Wereld have with less than leisurely gusto.

Coin clearance

Any bank manager might suffer the embarrassment that confronted Malcolm Parkinson, manager of a Barclays branch in Plymouth. All the night safe bags became jammed in the chute. Either the throat was too narrow, or the bags were overfilled with coins of the realm.

Parkinson sent for the local Dyno-Rod men, whose usual activity is unblocking drains. "All we asked was that they should use clean rods," he says. After a lot of poking about, the drains men cleared the chute. They said it was the cleanest job they had ever done.

Oil shark

A story going the rounds of motorway service stations concerned a garage in Guildford where, on Saturday, an instant queue formed after a tanker was sighted arriving. Soon enough, a man in a white coat appeared on the forecourt and explained to each motorist in turn that, unfortunately, petrol would have to be rationed to £1-worth each. On this basis he extricted £1 from every car in return for a cloakroom-ticket receipt. The rest you can guess.

Observer

FINANCIAL TIMES

Eurobond Quotations and Yields

AIBD

THE ASSOCIATION OF INTERNATIONAL BOND DEALERS

At 29th DECEMBER, 1978

The Association of International Bond Dealers (AIBD) compiles current market quotations and yields for Eurobond issues. These quotations and yields are published monthly by the Financial Times. The Association's prices and yields are compiled from quotations obtained from market-makers on the last working day of each month.
There is no single stock exchange for Eurobonds in the usually recognised sense—secondary market trading business is done on the telephone between dealers scattered across the world's major financial centres. Membership of the AIBD (which was established in 1969) comprises over 450 institutions from about 27 countries.

Eurobonds in December

BY JOHN EVANS

The Eurodollar bond market remained in an anaemic state in the closing month of the year, with the Deutschemark sector continuing to make most of the running.

Year-end statistics showed clearly the fundamental shift in the balance of power in the international bond markets caused by the dollar's remorseless decline and accompanying surge in U.S. interest rates during 1978.

The dollar's share of the overall volume of new Eurobond issues was cut to 50 per cent; The Deutschemark, in contrast, dramatically increased its share to 40 per cent compared with 23 per cent recorded in 1977.

New Eurobond issues last year totalled $14.7bn equivalent, a fall of 17 per cent on 1977's $17.7bn.

Total international bond issues in 1978, when Yankee bond, Yen Samurai and Swiss franc issues are included, amounted to $34.17bn compared with $33.98bn in 1977.

Reflecting this shift away from dollar-denominated bonds, the league-table of lead managers similarly shows a trend in favour of continental European banks.

Deutsche Bank continues to dominate the market, with 75 issues led or co-managed last year totalling $5.53bn equivalent.

Westdeutsche Landesbank comes second, an improvement of two places. It managed 81 issues totalling $4.48bn last year.

In fact, Swiss or German banks dominated the first six places, with the exception of the "special category" investment house, Credit Suisse First Boston, which held fourth ranking.

As for borrowers, Europe continues as the main area issuing Eurobonds. It accounted for 49.81 per cent of the total compared with 53.4 per cent in 1977.

This reduced share taken by Europe, as well as the absolute decline in the number of Eurobond issues, is linked with the decreasing balance of payments deficits of the OECD countries, excluding the U.S.

According to estimates, the current account of the OECD countries shows a surplus of $8bn in 1978 compared with a deficit of $12bn in 1977.

For dollar bonds, the cautious optimism of November, based on the aftermath of the Carter dollar package, was quickly dispelled.

Short-term interest rates continued to climb, presenting the professional market with severe problems in financing their inventories of bonds. By the year-end, a further decline in the dollar in response to the price increases for 1979 agreed by OPEC states in Abu Dhabi resulted in a fresh retreat by prices.

Among the limited number of new issues, a $50m offering from Norsk Hydro at 9¼ per cent via Hambros proved a relative success, although it was later caught up in general price weakness.

Priced at 99, the 15-year issue carried an offering yield of 9.38 per cent.

By the time S. G. Warburg subsequently brought a $50m European Coal and Steel Community 20-year straight, the market was starting to show ominous signs of further deterioration.

This split-maturity issue, carrying coupons of 9¾ and 9 per cent, fell to a deep discount in after-market trading.

The month's clear-cut success was the relatively rare Swiss corporate borrowing in the dollar convertible market. Brown Boveri offered some $85m of 15-year convertibles, initially with a 4½ per cent coupon and priced at par, and saw the issue rapidly absorbed. In fact, the coupon was later cut to 4¼ per cent.

A major incentive here for investors is the chance to obtain Swiss franc securities, particularly at a time of official controls on non-resident purchases of such paper.

Such was the year-end gloom in the dollar sector as a whole that even floating rate notes (FRNs) did not escape entirely unscathed.

A $100m floater for Bank fuer Gemeinwirtschaft, with a margin of ¼ per cent over interbank rates and pricing of par, re-treated sharply in first-time trading.

For Deutschemarks, the month's highlight was the offering of so-called "Carter bonds" in the German capital markets. The securities, issued effectively as promissory notes, are designed to raise foreign currency to help the U.S. intervention effort to protect the overseas value of the dollar.

The issue was nearly three times oversubscribed, with subscriptions totalling DM 8.68m: DM 1.77bn was allocated to the shorter three-year tranche and DM 1.26bn to the longer four-year tranche. Yields on the issues ranged between 5.95 and 6.20 per cent.

In DM bonds themselves, December saw some hiccoughs as the market grappled with a heavy new issue calendar and a continued edging up in D-Mark interest rates.

It proved impossible for all the banks which had planned to bring new issues to convince the borrowers concerned to concede better terms, in view of these market conditions. Among the four cancelled issues was a planned DM 70m offering for U.S. bank, Amex International. Dresdner Bank also postponed a DM 50-100m bond for an unidentified client.

But where higher yields were offered, bonds moved well. Deutsche Bank, for instance, increased the size of its Republic of Brazil issue to DM 150m.

The lessons of December, however, have been learnt, and the West German capital markets subcommittee has set a flexible loan calendar for January of a maximum DM 1.1bn compared with December's DM 1.6bn.

Elsewhere, the expanding Kuwaiti dinar bond market enjoyed a coup with the launching of a KD 10m issue for the City of Oslo, the first top-quality borrower in this market for some years.

This was rapidly followed by another good quality borrower, Industrial Bank of Finland, whose issue was increased to KD 6m from KD 5m, following a good reception.

CONTENTS

The table of quotations and yields gives the latest rates available on 29th December, 1978. This information is from reports from official and other sources which the Association of International Bond Dealers considers to be reliable, but adequate means of checking its accuracy are not available and the Association does not guarantee that the information it contains is accurate or complete.

All rates quoted are for indication purposes only and are not based on, nor are they intended to be used as a basis for, particular transactions. In quoting the rates the Association does not undertake that its members will trade in all the listed Eurobonds and the Association, its members and the Financial Times Limited do not accept any responsibility for errors in the table.

COMPILED FOR THE ASSOCIATION OF INTERNATIONAL BOND DEALERS BY INTERBOND SERVICES LTD. ★ *A subsidiary of data STREAM International*

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avg. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S.F. amount / First S.F. date
		US DOLLARS-ALGERIA							
25.00	1977 / 100.00	BQUE EXT D'ALGERIE 9.00 15/ 8/1982	94	3.63	11.06	9.57	102.00	30 / 1979	1.00 / PF1978
		US DOLLARS-AUSTRALIA							
30.00 / 7.51	1963 / 97.50	AUSTRALIA,COMMONWEALTH 5.00 1/ 4/1983 S	93 5/8	4.25 / 2.46	6.86 / 8.31	5.41	100.50	30 / 1979	.83 / 1965
25.00 / 2.05	1960 / 97.50	AUSTRALIA,COMMONWEALTH 5.25 15/ 4/1980 S	96 7/8	1.29 / .80	7.98 / 9.60	5.49	100.00	30 / 1979	.67 / 1962
25.00 / 2.73	1960 / 98.00	AUSTRALIA,COMMONWEALTH 5.25 1/10/1980 S	96 7/8	1.76 / 1.01	7.30 / 9.73	5.49	100.00	30 / 1979	.67 / 1962
25.00 / 1.38	1959 / 97.00	AUSTRALIA,COMMONWEALTH 5.50 15/ 9/1979 S	97 1/8	.71 / .46	10.00 / 12.58	5.74	100.00	[illegible] / 1979	.67 / 1961
25.00 / 4.07	1961 / 97.00	AUSTRALIA,COMMONWEALTH 5.50 1/ 7/1981 S	95 5/8	2.50 / 1.27	7.32 / 9.04	5.83	100.00	30 / 1979	.69 / 1963
30.00 / 5.70	1962 / 98.25	AUSTRALIA,COMMONWEALTH 5.50 15/ 1/1982 S	94 3/4	3.05 / 1.55	7.41 / 8.89	5.69	100.00	30 / 1979	.81 / 1964
30.00 / 6.68	1962 / 97.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 7/1982 S	94 1/8	3.50 / 1.76	7.57 / 9.41	5.93	100.75	30 / 1979	.83 / 1965
25.00 / 7.57	1962 / 99.00	AUSTRALIA,COMMONWEALTH 5.50 1/10/1982 S	93 7/8	3.76 / 2.01	7.53 / 9.09	5.95	101.25	30 / 1979	.64 / 1965
25.00 / 9.73	1965 / 95.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 5/1985 S	92 7/8	6.34 / 3.54	7.02 / 8.12	6.01	102.00	30 / 1979	1.39 / 1968
25.00 / 9.73	1965 / 99.75	AUSTRALIA,COMMONWEALTH 5.75 1/11/1985 S	94 1/8	6.84 / 3.85	6.95 / 7.68	6.20	103.00	30 / 1979	1.39 / 1969
25.00 / 10.93	1967 / 97.50	AUSTRALIA,COMMONWEALTH 6.50 15/ 6/1982	97 5/8	3.46 / 2.60	7.29 / 7.92	6.66	101.00	30 / 1979	1.56 / 1970
100.00	1977 / 100.00	AUSTRALIA,COMMONWEALTH 7.50 1/ 9/1984	89 3/4	5.67	9.93	8.36	101.50	90C / 1981	
350.00	1975* / 100.00	AUSTRALIA,COMMONWEALTH 8.00 1/ 4/1982	94 3/4	3.25	9.94	8.44			
125.00	1976 / 99.59	AUSTRALIA,COMMONWEALTH 8.125 15/11/1983 S	93 7/8	4.88	9.96	8.84	10.32 / 100.00	30 / 1982	
75.00	1976 / 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/ 6/1981 S	95 7/8	2.42	10.47	8.70			
120.00	1976 / 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/10/1983	95 3/8	4.76	9.48	8.65			
125.00	1977 / 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/12/1983 S	93 5/8	5.92	9.92	9.01	10.16 / 100.00	30 / 1983	
150.00 / 150.00	1977 / 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/ 3/1992	90	13.67 / 9.62	9.58 / 9.96	9.17	9.99 / 101.50	90C / 1988	7.50 / 1983
50.00	1975 / 100.00	AUSTRALIA,COMMONWEALTH 8.45 15/ 6/1980 S	97 1/2	1.46	10.60	8.95			
175.00	1975* / 100.00	AUSTRALIA,COMMONWEALTH 8.45 1/ 6/1983 S	95 1/2	4.42	9.96	9.06			
130.00	1976 / 100.00	AUSTRALIA,COMMONWEALTH 8.50 1/10/1986	94	7.76	9.62	9.14			
50.00	1975 / 100.00	AUSTRALIA,COMMONWEALTH 8.75 15/ 6/1983 S	96 5/8	4.46	9.93	9.26	10.17 / 100.00	30 / 1982	
50.00	1976 / 99.63	AUSTRALIA,COMMONWEALTH 8.75 1/ 6/1986 S	95 7/8	7.42	9.56	9.03	9.98 / 100.00	30 / 1984	
60.00 / 60.00	1976 / 95.50	AUSTRALIA,COMMONWEALTH 8.75 1/10/1991	96 3/4	12.76 / 9.71	9.18 / 9.30	9.04			3.00 / 1982
100.00 / 100.00	1977 / 93.88	AUSTRALIA,COMMONWEALTH 8.875 1/12/1997 S	95 1/4	18.92 / 11.44	9.44 / 9.77	9.32	9.45 / 101.28	30 / 1989	6.65 / 1983
75.00 / 75.00	1976 / 99.50	AUSTRALIA,COMMONWEALTH 9.00 15/11/1996 S	96 3/8	17.84 / 10.88	9.44 / 9.77	9.34	9.78 / 101.00	30 / 1991	5.00 / 1982
75.00 / 75.00	1978* / 99.63	AUSTRALIA,COMMONWEALTH 9.125 1/ 6/1993 S	97 5/8	14.42 / 10.46	9.45 / 9.71	9.37	9.88 / 102.02	30 / 1988	8.25 / DP1985
75.00 / 75.00	1976 / 98.50	AUSTRALIA,COMMONWEALTH 9.125 1/ 6/1996 S	97 3/8	17.42 / 10.62	9.46 / 9.73	9.39	9.75 / 100.90	30 / 1991	3.75 / 1980
25.00 / 22.00	1975 / 99.00	PAPUA NEW GUINEA,GOVT OF 9.50 15/ 3/1983	99 3/4	4.21 / 2.94	9.55 / 9.59	9.52	100.25	45C / 1979	2.50 / DP1976
25.00	1977 / 100.00	ALCAN AUSTRALIA 9.50 15/ 4/1989	90 3/8	10.29	10.03	9.41	10.85 / 101.50	45 / 1985	.75 / PF1979
25.00 / 16.75	1974 / 100.00	AUSTRALIAN IND DEVT CORP 10.25 1/12/1981	100	2.92 / 1.92	10.24 / 10.25	10.25	100.50	30 / 1979	6.25 / 1978
40.00 / 40.00	1977 / 100.00	AUSTRALIAN MIN & SMELT'G 9.25 15/ 6/1992	95 3/8	13.46 / 9.45	9.87 / 9.99	9.70	10.76 / 101.00	30 / 1983	1.80 / DP1980
10.00	1977 / 100.50	AUSTRALIAN RESOURCES 8.25 1/12/1981	92 7/8	3.92	10.55	8.88	11.23 / 100.00	30 / 1981	
30.00	1975 / 99.50	AUSTRALIAN RESOURCES 9.25 1/ 8/1980	97 7/8	1.59	10.69	9.45	100.00	30 / 1979	
30.00 / 25.40	1975 / 100.00	AUSTRALIAN RESOURCES 9.50 1/ 3/1983	99 1/8	4.17 / 2.72	9.75 / 9.80	9.58	100.50	30 / 1979	1.20 / DP1976
42.00	1976 / 99.50	AUSTRALIAN SHIP COMM F 8.25 1/ 9/1983	93 7/8	4.67	9.93	8.79	101.50	90C / 1980	
30.00	1977 / 99.50	BROKEN HILL PROPS 8.00 1/ 4/1985	91 7/8	6.25	9.78	8.71	101.50	90C / 1982	
30.00 / 30.00	1977 / 99.00	BROKEN HILL PROPS 8.25 1/ 4/1989	91 7/8	10.23 / 8.75	9.51 / 9.66	8.98	10.01 / 101.50	90C / 1986	7.50 / 1986
30.00	1975 / 100.00	BROKEN HILL PROPS 9.50 1/ 5/1981	99	2.34	9.95	9.60	100.50	30 / 1979	
20.00 / 17.53	1975 / 98.50	BROKEN HILL PROPS 10.00 1/ 5/1990	101	11.34 / 7.58	9.83 / 9.80	9.90	9.75 / 100.375	30 / 1983	.82 / DP1976
20.00 / 14.00	1970 / 96.50	COMALCO INV EUROPE 9.50 1/11/1985	96 1/4	6.84 / 4.27	9.85 / 10.03	9.87	10.69 / 100.25	30 / 1980	1.00 / DP1971
25.00 / 21.00	1975 / 100.00	COMALCO LTD 10.00 1/ 4/1987	98 5/8	8.25 / 5.73	10.24 / 10.32	10.14	10.55 / 100.25	30 / 1982	1.00 / DP1976
25.00	1975 / 100.00	CSR LIMITED 9.50 15/ 7/1980	98 3/8	1.54	10.61	9.66	100.50	45 / 1979	
40.00 / 39.20	1976 / 100.00	HAMERSLEY HOLDINGS 8.50 1/ 1/1984	94 3/4	5.01 / 4.30	9.88 / 10.08	8.97	100.50	30 / 1981	1.80 / DP1975
40.00 / 40.00	1976 / 100.00	HAMERSLEY HOLDINGS 9.50 1/ 1/1992	96 3/8	13.01 / 9.51	9.97 / 10.03	9.83	10.38 / 100.75	30 / 1985	1.00 / DP1974
25.00 / 20.50	1972 / 100.00	HAMERSLEY IRON FIN 8.00 15/11/1987	89 3/4	9.88 / 5.77	9.77 / 10.45	8.91	100.25	30 / 1980	1.25 / DP1975
20.00 / 14.50	1971 / 99.50	HAMERSLEY IRON FIN 9.00 1/ 5/1986	96 7/8	7.34 / 4.56	9.59 / 9.87	9.29	100.25	30 / 1979	1.00 / DP1972
20.00 / 13.00	1970 / 97.00	HAMERSLEY IRON FIN 9.50 1/ 9/1985	98 1/8	6.67 / 4.10	9.86 / 10.07	9.68	10.56 / 100.25	30 / 1980	1.00 / DP1971
35.00 / 29.40	1975 / 100.00	HAMERSLEY IRON FIN 10.00 1/ 6/1982	100 3/4	3.42 / 3.15	9.69 / 9.70	9.93	9.06 / 100.30	30 / 1979	1.40 / DP1976
22.50 / 20.95	1972 / 99.75	K MART(AUST)PROPERTIES 7.75 15/ 9/1984	92 7/8	5.71 / 5.43	9.40 / 9.47	8.34			.32 / DP1973
36.00 / 35.19	1976 / 99.50	K MART(AUST)FIN 9.00 1/10/1986	97 3/4	7.76 / 7.07	9.41 / 9.44	9.21			.46 / DP1977

US-DOLLAR—JAPAN (CONTINUED)

30.00	1977 99.00	NIPPON FUDOSAN BANK 7.75 15/ 6/1982	94 1/8	3.46	9.40	8.23	100.50	[illegible]
25.00	1976 100.00	NIPPON FUDOSAN BANK 8.00 15/11/1981	9[illegible] 1/2	2.84	10.29	8.47	100.50	1979
20.00	1976 100.00	NIPPON FUDOSAN BANK 9.25 15/ 3/1981	98 3/8	2.09	10.13	9.40	100.50	1980
15.00	1974 97.00	NIPPON FUDOSAN BANK 10.25 15/ 1/1990	100 1/2	1.05	9.77	10.20		PT1975
15.00	1977 99.16	NIPPON MINING 7.75 1/ 6/1982	93 3/4	3.42	10.15	8.31		
15.00	1975 99.25	NIPPON STEEL 9.25 15/ 8/1980	[illegible] 1/4	1.67	10.40	9.41		
22.50	1965 97.25	NIPPON TEL & TEL 5.75 15/ 4/1980 S	96 1/4	1.29 / 1.05	9.06 / 5.82	6.06	102.00	1979
105.00	1977 100.00	NIPPON TEL & TEL 7.625 1/ 3/1982 S	94 2/4	3.17	10.01	8.25		
150.00	1977 100.00	NIPPON TEL & TEL 7.75 15/ 4/1984 S	92 1/4	5.40	9.84	8.38	10.49 100.00	1983
1[illegible].00	1976 99.50	NIPPON TEL & TEL 7.875 1/ 5/1981 S	95 3/4	2.34	10.19	8.37		
50.00	1977 99.75	NIPPON TEL & TEL 8.125 1/ 3/1987 S	92 1/8	8.17	9.76	9.01	100.00	1985
20.00	1975 99.25	NISSHIN STEEL 9.25 1/ 6/1980	98 3/8	1.59	10.33	9.40		
20.00	1976 100.00	NISSHO-IWAI CO 9.75 1/ 2/1981	95 1/8	2.09	10.47	9.43		

Austrian Quotes
Quotations and Yields of Austrian Eurobonds

ISSUE	COUPON DATES	REPAYMENT	SINKING FUND (STARTING)	PRICE BID	PRICE ASKED	CURRENT YIELD	CURRENT YIELD TO MATURITY
D-MARK BONDS							
6½% Brenner Autobahn 1968 (G)	1.2-1.8	1.8.74-83	1.8.73	102½	103	6.57%	6.18%
6% Donaukraftwerke 1959 (G)	1.2-1.8	1.2.65-84	—	101½	101¾	5.91%	5.76%
6¾% Donaukraftwerke 1973 (G)	1.3	1.3.73-87	1.12.77	101¾	102¼	6.61%	6.41%
7% Girozentrale Wien 1976	1.11	1.11.81	—	103¾	104¼	6.74%	5.50%
7¼% Girozentrale Wien 1976	1.11	1.11.83	—	105¾	106¼	6.83%	5.78%
8¾% IAKW 1975 (G)	1.5	1.5.80-85	—	106¼	106¾	8.22%	7.44%
6¾% Kelag 1973 (S)	1.5	1.5.79-88	1.3.78	101	101½	6.67%	6.57%
8¾% Oester. Draukraftwerke 1975 (G)	1.3	1.3.81-88	—	108½	108¾	8.06%	7.03%
7% Oester. Elektrizitaeswirt 1967 (G)	1.2-1.8	1.2.73-87	—	104½	105½	6.67%	6.30%
7% Rep. Oesterreich 1968	1.4-1.10	1.4.73-82	1.4.72	103	104	6.76%	5.90%
6½% Rep. Oesterreich 1969	1.4-1.10	1.4.75-83	1.1.74	101½	101¾	6.40%	6.19%
9% Rep. Oesterreich 1975	1.2	1.2.83	—	106½	107	8.43%	7.07%
8½% Rep. Oesterreich 1975	1.5	1.5.78-87	1.2.77	106¾	107½	7.94%	7.36%
7¾% Rep. Oesterreich 1976	2.5	2.5.83-88	1.2.82	107	107½	7.22%	6.47%
6¾% Rep. Oesterreich 1977	1.4	1.4.83-85	2.1.82	103¾	104¼	6.48%	5.95%
6½% Tauernkraftwerke 1968 (G)	1.3-1.9	1.9.74-83	1.9.73	102	102½	6.35%	6.01%
7% Tauernkraftwerke 1968 (G)	1.2-1.8	1.2.74-88	—	102½	103	6.82%	6.36%
9½% Tauernautobahn 1974 (G)	1.7	1.7.81	—	108	109	8.76%	5.80%
8½% Voest 1973	1.10	1.10.79-88	1.6.78	105¾	106¼	8.01%	7.60%
8½% Voest 1975	1.6	1.6.81-85	—	106½	107	7.96%	7.17%
6¾% Voest 1977	1.6	1.6.84-89	—	101¾	102	6.63%	6.52%
7% Wien 1968	1.6-1.12	1.6.74-83	1.6.73	102½	103½	6.79%	6.28%
8¼% Wien 1975	1.8	1.8.79-84	—	104½	105	7.88%	7.23%
U.S.$ BONDS							
6% Rep. Austria 1964	31.1-31.7	31.1.71-84	3.1.70	97½	98½	8.12%	6.57%
6¾% Rep. Austria 1967	15.3-15.9	15.3.72-82	15.3.71	97½	98½	6.89%	7.56%
8¾% Rep. Austria 1976	15.8	15.8.78-90	15.8.77	93¾	94½	9.31%	9.62%
6¾% Aust. Electricity 1966 (G)	1.1-1.7	1.7.70-86	1.7.69	97¾	98½	6.77%	7.09%
6¾% Aust. Electricity 1967 (G)	1.4-1.10	1.10.71-82	1.10.70	97¾	98½	6.90%	7.50%
5¾% Alpine Montan 1965 (G)	15.6	15.6.72-85	15.6.71	92¾	93¾	6.17%	7.09%
8¼% Tauernautobahn 1977 (G)	15.3	15.3.83-87	15.3.82	[illegible]	93½	8.86%	9.47%
6½% Transalpine Fin. Hldg. 1966	31.10	31.10.70-85	31.10.69	93¾	94½	6.91%	7.62%
6¾% Transalpine Fin. Hldg. 1966	31.7	31.7.70-85	13.7.69	[illegible]	96	7.07%	7.63%
6¾% Transalpine Fin. Hldg. 1967	31.1	31.1.73-82	31.1.72	97¼	98½	6.91%	7.58%
6¾% Transalpine Fin. Hldg. 1967	30.4	30.4.74-83	30.4.73	96¾	97½	6.94%	7.50%
7½% Trans-Austria Gasline 1973	15.1	15.1.77-88	15.1.76	85	86¼	8.75%	9.92%
AUSTRIA SCHILLING BONDS							
9½% Kontrollbank 1974 (G)	14.8	14.8.79	—	100¾	101¾	[illegible]	8.01%
DOMESTIC ISSUES							
8% Investitionsanleihe 1973/B	15.2	15.2.77-81 (101)	—	101	101½	7.94%	7.77%
8% Investitionsanleihe 1973/II/B	3.7	3.7.76-81 (102)	—	101¾	102¼	7.92%	8.03%
8% Investitionsanleihe 1974/B	1.4	1.4.76-82 (104.50)	R	103¾	104½	7.73%	7.81%
8½% Investitionsanleihe 1974/II/B	22.10	23.10.76-82	—	101½	102½	8.37%	7.85%
8½% Investitionsanleihe 1975/II/B	11.6	11.6.76-84 (103)	—	102¾	103¼	8.31%	8.29%
8½% Investitionsanleihe 1975/S/II	25.7	25.7.76-85 (103)	—	103¼	103¾	8.27%	8.19%
8½% Investitionsanleihe 1975/III/B	28.10	28.10.76-84 (103)	—	102¼	103½	8.33%	8.35%
8½% Investitionsanleihe 1975/S/III/IV	27.12	27.12.79-85 (103.50)	—	104	104¾	8.21%	8.11%
8½% Investitionsanleihe 1975/V/B	12.12	12.12.79-85 (103.50)	—	104	104¾	8.21%	8.12%
8½% Investitionsanleihe 1976/S	20.2	20.2.81-86 (104)	—	103¾	104½	8.21%	8.17%
8% Investitionsanleihe 1977/S/III/B	2.6	2.6.82-87	—	99¾	100¼	8.02%	7.95%
8% Investitionsanleihe 1977/II/B	15.9	15.9.82-86	—	99¾	100¼	8.02%	7.94%
8% Investitionsanleihe 1977/III/B	20.12	20.12.82-86	—	99¾	100¼	8.02%	7.95%
8% Wasserwirtschaftsfondsanl 1977/III	3.6	3.6.82-86	—	99¾	100¼	8.02%	7.84%
8½% Energieanleihe 1975/IIB U.S.	29.10	29.10.79-85 (103.50)	—	104	104¾	8.17%	8.01%
8½% Wiener Stadtanleihe 1975/B	29.4	29.4.76-83	—	100¾	101½	8.40%	7.98%
8% Wiener Stadtanleihe 1977/A	10.5	10.5.78-92	—	99¾	100¼	8.02%	7.96%
8% Wiener Stadtanleihe 1977/B	10.5	10.5.78-92	—	99¾	100¼	8.02%	7.95%
8% Europ. Investitionsbank Anl. 1976	20.10	20.10.80-86	—	99¾	100¼	8.02%	7.99%
8% Inter-Am. Entwicklungsbk. Anl. 1976	17.12	17.12.81-86	—	99¾	100¼	8.02%	7.95%
8% Tag Finco Anleihe 1976	19.11	19.11.81-86	—	99¾	100¼	8.04%	7.99%
8% Sparkassenanleihe 1975/II/B	21.10	21.10.77-83 (101)	—	102¼	102¾	8.33%	8.02%
8% Sparkassenanleihe 1977/S/B	26.7	26.7.80-83	—	100¼	100¾	8.00%	7.85%

(R) Purchase for redemption purposes by issuer possible. The bonds so purchased may be used for repayment according to plan. (...) Repayment at a premium. (G) Government Guarantee. (S) Local Government Guarantee. Yield calculations are based on the middle price.

US DOLLARS-SWEDEN (CONTINUED)

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
20.00 / 27.50	1973 / 99.75	SCASKAFF 9.625 15/10/1988	95 1/4	9.79 / 7.39	9.38 / 9.55	9.06	100.375	30 / 1979	1.00 / DP1975
40.00 / 37.00	1976 / 100.00	SKANDINAVISKA ENSKILDA 9.00 1/12/1993	95 1/2	12.92 / 8.34	9.62 / 9.82	9.42	102.00	30 / 1982	1.50 / 1977
30.00 / 29.25	1977 / 100.50	SKF 8.00 15/1/1987	90 1/2	8.05 / 5.85	9.76 / 10.26	8.84	101.00	30 / 1982	.75 / DP1978
20.00 / 20.00	1976 / 99.50	SODRA SKOGSAGARNA 9.50 15/12/1986	85 1/2	7.96 / 5.56	12.47 / 13.37	11.11	101.50	45 / 1982	[illegible] / 1981
20.00 / 20.00	1975 / 99.50	SPARBANKERNAS BANK 6.75 1/9/1983	95 5/8	4.67 / 2.77	9.94 / 10.62	9.15	11.02 / 101.00	90C / 1981	3.50 / 1979
30.00 / 30.00	1977 / 100.00	SPARBANKERNAS BANK 8.75 15/1/1988	94 5/8	9.05 / 4.70	9.67 / 10.26	9.25	10.66 / 101.00	90C / 1983	2.50 / 1979
40.00	1977 / 100.50	STATSFORETAG 7.75 1/2/1982	93 1/2	3.09	10.30	8.29			
30.00	1975 / 99.00	STATSFORETAG 9.25 15/9/1980	98 1/8	1.71	10.44	9.43	100.00	1979	
50.00 / 50.00	1977 / 100.00	STOCKHOLM,CITY OF 8.875 15/2/1992 S	95 1/2	13.13 / 8.63	9.70 / 9.88	9.51	10.10 / 102.05	30 / 1987	5.00 / DP1983
30.00 / 28.50	1976 / 99.00	SVENSKA HANDELSBANKEN 9.25 1/3/1986	98	7.17 / 5.13	9.64 / 9.75	9.44	10.73 / 101.00	90C / 1981	1.00 / 1977
25.00 / 17.80	1976 / 100.00	SWEDISH EXPORT CREDIT 7.875 15/10/1983 P S	95 1/4	4.79 / 2.52	9.32 / 10.31	8.44	101.00	30C / 1980	1.80 / 1977
25.00 / 14.50	1975 / 99.00	SWEDISH EXPORT CREDIT 9.00 15/4/1982	99 7/8	3.29 / 1.84	9.02 / 9.06	9.01	100.50	30 / 1979	3.50 / 1976
15.00 / 12.50	1973 / 100.00	SWEDISH INVESTMENT BANK 7.50 15/1/1988	90 1/2	9.05 / 5.53	9.08 / 9.62	8.29	101.00	45C / 1981	.50 / 1974
15.00 / 12.00	1972 / 99.50	SWEDISH INVESTMENT BANK 7.75 1/11/1987	97 1/2	8.84 / 5.55	8.15 / 8.33	7.95	101.00	45C / 1980	.50 / 1973
25.00 / 15.00	1976 / 100.00	SYDKRAFT 9.25 15/9/1986	94 7/8	7.71 / 5.51	10.22 / 10.51	9.75	101.50	60 / 1981	2.00 / 1981
30.00 / 23.10	1976 / 100.00	UDDEVALLAVARVET 7.75 1/12/1983 P S	95 1/8	4.92 / 2.68	9.20 / 10.11	8.31	101.00	30C / 1980	2.30 / 1977
23.00 / 23.00	1977 / 100.00	UDDEVALLAVARVET 7.75 15/9/1984 P	90 7/8	5.71 / 4.93	9.90 / 10.31	8.53	101.00	30 / 1981	2.50 / 1980
25.00 / 22.60	1972 / 100.50	VOLVO 8.00 1/9/1987	90 3/4	8.67 / 5.33	9.61 / 10.17	8.82	101.50	60 / 1980	1.20 / DP1977
35.00	1977 / 100.00	VOLVO 8.00 1/3/1987	89 1/2	8.17	9.93	8.94	101.50	60 / 1982	1.75 / PF1978
25.00	1975 / 99.50	VOLVO 9.50 1/3/1983	97 3/4	4.17	9.99	9.72	101.50	60 / 1980	1.25 / PF1976

US DOLLARS-SWITZERLAND

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
35.00 / 17.50	1971 / 100.00	ALUSUISSE INT 7.00 1/7/1981 WW	96 5/8	2.50 / 1.50	8.52 / 9.45	7.26	101.00	1978	5.93 / 1976
75.00	1977 / 100.00	FIAT FIN CORP 6.00 1/6/1982	93	3.39	10.40	6.40	11.40 / 100.50	30C / 1981	
35.00 / 31.50	1972 / 99.50	SWISS ALUMINIUM AUST LTD 8.00 1/7/1987	96 3/8	8.50 / 4.50	8.60 / 8.99	8.30	102.00	30 / 1981	3.50 / 1978

US DOLLARS-VENEZUELA

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
15.00 / 2.00	1965 / 99.00	VENEZUELA,REPUBLIC OF 6.25 15/4/1980 S	94	1.29 / .92	11.67 / 13.86	6.76	100.375	30 / 1979	.50 / DP1966
100.00	1977 / 99.29	VENEZUELA,REPUBLIC OF 7.875 15/6/1982 S	93	3.46	10.60	8.65			
100.00	1977 / 99.50	VENEZUELA,REPUBLIC OF 9.00 15/2/198[illegible]	91	5.13	10.34	9.79	101.00	30 / 1981	
100.00	1977 / 99.75	VENEZUELA,REPUBLIC OF 8.125 15/10/1984 S	91 3/8	5.79	10.31	9.08	10.65 / 100.00	30 / 1983	
50.00 / 50.00	1977 / 99.50	VENEZUELA,REPUBLIC OF 8.75 15/10/1992 S	92	13.79 / 9.29	10.06 / 10.35	9.74	10.55 / 101.91	30 / 1987	5.00 / DP1983
15.00 / 11.15	1972 / 100.00	VENEZUELA TEL 7.25 15/12/1987 S	93 1/2	8.96 / 5.91	9.55 / 9.96	9.02	101.00	30 / 1980	.35 / DP1973

US DOLLARS-UTD KINGDOM

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
200.00	1978* / 100.00	UNITED KINGDOM 8.50 1/5/1995 S	94 7/8	6.35	9.32	9.16	9.09 / 100.00	30 / 1984	
150.00 / 150.00	1978* / 99.00	UNITED KINGDOM 8.875 1/5/1993 S	96	14.34 / 10.33	9.61 / 9.71	9.36	9.29 / 101.92	30 / 1988	16.70 / DP1985
20.00 / 20.00	1977 / 100.00	AIRLEASE INT FIN 8.75 1/10/1986	95 3/8	9.76 / 5.26	9.49 / 9.92	9.17	102.00	60 / 1980	3.00 / DP1979
20.00 / 16.00	1971 / 100.00	AIRLEASE INT FIN 9.00 1/2/1986	97 1/2	7.09 / 4.09	9.46 / 9.76	9.23	102.00	60 / 1981	2.00 / DP1975
60.00 / 60.00	1977 / 100.50	ASHLAND OIL (GB) 7.50 1/5/1982	95 1/8	3.34 / 1.84	9.24 / 10.55	7.88	102.00	30 / 1979	15.00 / 1979
20.00 / 17.20	1972 / 99.50	B.I.C.C. FIN 7.75 1/2/1987	90 1/4	8.09 / 4.47	9.37 / 10.41	8.59	101.00	60C / 1982	1.35 / DP1975
30.00 / 24.00	1971 / 100.00	BARCLAYS BANK INT 9.25 1/12/1986	95 7/8	7.92 / 4.42	9.00 / 9.44	8.60	102.00	60 / 1979	3.00 / DP1977
50.00 / 50.00	1976 / 100.00	BARCLAYS BANK INT 9.125 1/4/1985 P	97 1/4	6.25 / 5.25	9.66 / 9.73	9.36			16.00 / 1983
25.00 / 25.00	1976 / 100.00	BARCLAYS BANK INT 9.125 15/4/1987	97 1/2	8.29 / 7.29	9.56 / 9.60	9.36			8.00 / 1985
20.00	1975 / 100.00	BARCLAYS BANK INT 9.25 1/7/1982	96 5/8	3.50	9.69	9.38	101.00	60 / 1980	2.00 / PF1977
100.00	1977 / 100.00	BARCLAYS O'SEAS INVEST 8.50 15/9/1992	92 1/8	13.71	9.54	9.23	101.25	45 / 1984	4.00 / PF1978
3.00	1967 / 100.00	BEECHAM INT 6.25 31/7/1981 S	91 1/2	2.59	10.31	6.83	101.50	30 / 1979	
45.00 / 33.50	1971 / 100.00	BEECHAM INT 8.25 1/2/1986	94	7.09 / 4.68	9.44 / 9.92	8.78	100.00	60 / 1981	2.50 / 1976
50.00 / 50.00	1977 / 100.00	BOWATER CORP 9.25 15/5/1993	94 1/4	13.38 / 10.16	10.03 / 10.17	9.81	10.69 / 101.50	60 / 1985	2.00 / DP1981
30.00	1976 / 100.00	BOWATER CORP 9.75 15/7/1986	99 3/4	7.54	9.78	9.77	10.17 / 101.50	60 / 1982	1.25 / PF1977
25.00	1973 / 100.00	BRISTOL,CITY & COUNTY OF 8.25 15/4/1979	98 3/4	.29	12.46	8.35			
60.00	1976 / 100.00	BRITISH CAR 9.00 1/2/1981	98	2.09	10.09	9.18			
10.00 / [illegible]	1972 / 99.00	BRITISH LAND 8.00 1/11/1987	84 7/8	8.84 / 4.84	10.72 / 12.31	9.43	103.00	90 / 1980	1.60 / 1978
65.00 / 65.00	1977 / 100.00	BRITISH SHIPBUILDERS 9.00 1/11/1992	89 1/2	13.84 / 11.38	10.46 / 10.63	10.06	102.00	45 / 1982	10.00 / 1987
50.00 / 50.00	1974 / 99.00	BRITISH STEEL CORP 9.625 15/1/1989	95 3/8	10.05 / 6.20	9.35 / 9.65	9.06	102.00	45C / 1981	2.50 / DP1979
30.00 / 29.00	1972 / 100.00	CADBURY SCHWEPPES O/S 7.75 22/10/1990	86 1/4	11.79 / 7.93	9.44 / 9.94	8.98	102.00	90 / 1980	1.00 / DP1978

US DOLLARS-UTD KINGDOM (CONTINUED)

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
23.00 / 25.00	1973 / 98.50	CAPITAL & COUNTIES PROP 9.00 1/11/1988	91 7/8	9.84 / 5.34	10.35 / 11.10	9.80	102.00	60 / 1981	2.30 / DP1979
50.00 / 50.00	1977 / 99.50	CAVENHAM INTL BV 9.50 15/12/1987	91 1/2	8.96 / 6.20	11.04 / 11.30	10.38	102.00	30 / 1982	1.00 / 1979
30.00 / 27.90	1971 / 100.00	COMMERCIAL UNION 8.50 15/12/1986	94 3/4	7.96 / 5.42	9.47 / 9.81	8.97	102.00	60 / 1979	.70 / DP1976
20.00 / 8.60	1970 / 100.00	COURTAULDS INT FIN 9.00 1/2/1982 S	98 3/4	3.09 / 1.59	9.69 / 10.10	9.32	100.00	60 / 1979	2.15 / 1972
20.00 / 13.00	1970 / 98.00	COURTAULDS INT FIN 9.25 1/10/1985	98 1/4	6.76 / 4.33	9.60 / 9.76	9.41	10.34 / 100.00	60 / 1980	1.50 / 1971
23.00	1973 / 100.00	COVENTRY,CITY OF 8.25 1/5/1980	96 3/4	1.34	10.91	8.53			
20.00	1974 / 98.75	COVENTRY,CITY OF 8.875 1/2/1981	97 5/8	2.09	10.17	9.09	100.50	30 / 1980	
25.00 / 21.00	1973 / 100.00	DUNDEE,CITY OF 9.25 15/10/1983	98 1/8	4.79 / [illegible]	9.74 / 10.01	9.43			4.00 / 1978
25.00	1973 / 100.00	EDINBURGH,CITY OF 9.00 1/11/1981	97 3/8	2.84	10.08	9.24			
50.00	1976 / 99.50	ELECTRICITY COUNCIL 8.75 15/3/1981	97 3/4	2.21	9.90	8.95			
15.00 / 6.00	1967 / 98.50	EMI 6.75 15/11/1982	94 3/4	3.88 / 2.38	8.38 / 9.32	7.12	100.50	30 / 1979	2.50 / 1973
50.00 / 50.00	1977 / 100.00	EMI FINANCE BV 9.25 15/4/1989	94 1/8	10.29 / 8.59	10.18 / 10.30	9.83	10.74 / 101.50	45 / 1985	4.00 / DP1983
20.00 / 18.20	1972 / 100.50	FISONS 8.25 1/7/1987	90 1/2	8.50 / 5.29	9.94 / 10.68	9.12	101.00	60C / 1980	1.10 / DP1975
20.00 / 20.00	1977 / 100.00	FISONS INT FIN 8.75 1/8/1992	90 3/4	13.59 / 10.41	10.01 / 10.22	9.64	10.88 / 101.00	45 / 1985	1.00 / DP1982
75.00	1973 / 99.00	GLASGOW,CITY OF 8.25 15/5/1980	97	1.38	10.62	8.51			
25.00 / 19.90	1971 / 100.00	G.K.N. INTERNATIONAL 8.50 1/3/1986	93	7.17 / 4.10	9.90 / 10.69	9.14	102.00	45 / 1981	1.70 / 1976
15.00 / 14.50	1974 / 100.00	G.K.N. INTERNATIONAL 9.50 5/4/1989	96 3/4	10.27 / 5.96	10.01 / [illegible]	9.82	10.62 / 102.00	45 / 1984	1.00 / 1976
25.00 / 22.00	1975 / 100.00	GOLD FIELDS (PERSHUD) 10.25 15/7/1985	99	6.54 / 5.13	10.42 / 10.50	10.35	10.62 / 100.25	30 / 1982	1.00 / DP1976
25.00 / 23.00	1972 / 99.50	GRAND METROPOLITAN HOTEL 7.50 15/12/1987	87 3/8	8.96 / 5.40	9.67 / 10.71	8.58	101.00	45Y / 1980	2.00 / 1975
15.00 / 10.20	1970 / 100.00	GRAND METROPOLITAN HOTEL 9.25 1/1/1986	96 1/8	7.01 / 3.68	9.63 / 9.90	9.43	10.33 / 100.00	30C / 1981	1.20 / 1974
30.00 / 25.20	1972 / 98.75	GUARDIAN ROYAL EXCHANGE 8.00 1/7/1987	91 7/8	8.50 / 6.22	9.41 / 9.79	8.71	101.00	60 / 1980	1.20 / DP1975
25.00 / 22.00	1972 / 100.50	HAMBROS 7.75 1/10/1987	88 1/8	8.76 / 6.44	9.82 / 10.36	8.79	101.50	30 / 1980	1.00 / DP1976
24.00 / 15.00	1970 / 100.00	HAMBROS 9.50 15/12/1985	99	6.96 / 4.54	9.70 / 9.80	9.60	10.57 / 101.00	60C / 1980	1.80 / 1971
20.00	1970 / 99.50	HILL SAMUEL GROUP 7.00 31/3/1982 WW	94	3.25	9.20	7.45	100.00	30 / 1979	
20.00 / 15.50	1971 / 100.00	HILL SAMUEL GROUP 8.50 15/11/1986	94 1/4	7.88 / 4.69	9.56 / 10.10	9.02	100.25	30 / 1979	1.50 / DP1974
30.00 / 24.00	1967 / 99.50	ICI LTD 6.50 15/3/1982	98 1/8	3.21 / 1.71	7.16 / 7.72	6.62	101.00	90Y / 1980	6.00 / 1976
50.00 / 46.75	1972 / 100.00	ICI INT FIN 7.50 1/2/1992	93 1/4	13.09 / 5.99	8.36 / 9.00	8.04	100.50	45C / 1980	3.25 / 1978
100.00 / 100.00	1977 / 100.00	ICI INT FIN 8.25 1/7/1987	92	8.01 / 6.51	9.73 / 9.97	8.97	101.50	90C / 1983	10.00 / 1983
25.00 / 24.00	1972 / 100.00	KLEINWORT BENSON 8.25 15/3/1987	90 3/8	8.38 / 5.83	9.98 / 10.99	9.13	102.00	60 / 1980	1.00 / DP1978
30.00 / 22.50	1973 / 100.00	LANCASHIRE C.C. 9.50 15/9/1981	98 3/8	2.71 / 1.71	10.17 / 10.52	9.66			7.50 / 1978
30.00 / 26.60	1973 / 100.00	LEGAL & GENERAL ASSCE 7.625 1/2/1988	88 7/8	9.09 / 5.82	9.64 / 10.45	8.65	101.00	60C / 1981	1.40 / DP1976
40.00	1973 / 99.75	LIVERPOOL,CITY OF 9.875 31/8/1979 G	99 1/8	.67	11.59	10.21			
50.00 / 50.00	1973 / 99.50	MANCHESTER,CITY OF 8.25 15/3/1981	97 1/2	2.38 / 1.40	9.53 / 10.19	8.46			16.00 / 1979
25.00 / 23.50	1973 / 100.25	MEPC ESTATES & PROP 8.00 1/2/1991	82 5/8	12.09 / 7.64	10.51 / 11.55	9.68	103.00	90 / 1980	.75 / 1977
15.00 / 10.80	1971 / 100.00	MEPC ESTATES & PROP 8.75 1/12/1986	91 1/2	7.92 / 4.76	10.37 / 11.15	9.56	103.00	90 / 1979	1.20 / 197[illegible]
75.00 / 75.00	1976 / 99.00	MIDLAND INTL FIN SERVICE 8.75 1/12/1986	95 3/8	7.92 / 5.12	9.60 / 9.95	9.17	10.06 / 100.50	60C / 1983	10.00 / DP1980
75.00 / 75.00	1977 / 100.50	MIDLAND INTL FIN SERVICE 8.75 1/9/1992	94	13.67 / 10.07	9.54 / 9.70	9.31	10.18 / 101.50	60 / 1985	7.50 / DP1984
15.00 / 9.75	1970 / 98.00	MONTAGU TRUST 9.25 15/10/1985	99 5/8	6.79 / 4.03	9.31 / 9.36	9.28	101.75	30Y / 1979	.75 / 1972
30.00 / 25.20	1972 / 100.50	NATIONAL & GRINDLAYS BNK 7.75 15/11/1987	89 3/8	8.88 / 6.17	9.57 / 10.15	8.67	101.50	60C / 1980	1.20 / DP1975
100.00 / 100.00	1977 / 99.00	NATIONAL COAL BOARD 8.00 1/9/1987	90 1/4	8.67 / 6.87	9.72 / 10.05	8.88	101.50	45 / 1983	5.00 / DP1979
50.00	1976 / 99.50	NATIONAL COAL BOARD 8.625 15/7/1981	96 7/8	2.54	10.03	8.90			
50.00 / 47.30	1973 / 99.00	NATIONAL COAL BOARD 8.625 15/10/1988	95 1/4	9.79 / 6.27	9.40 / 9.70	9.07	102.00	45C / 1980	2.50 / DP1973
50.00 / 50.00	1976 / 100.00	NATIONAL WESTMINSTER BNK 9.00 1/7/1986	98 3/4	7.50 / 4.56	9.61 / 9.49	9.30	10.86 / 101.00	60 / 1981	7.00 / DP1980
75.00	1978* / 100.00	NATIONAL WESTMINSTER BNK 9.00 15/6/1986	96 5/8	7.46	9.63	9.31	10.04 / 100.50	45 / 1983	
25.00	1973 / 100.00	NOTTINGHAM,CITY OF 8.625 15/6/1979	99	.46	10.71	8.71			
25.00 / 20.00	1971 / 98.00	PLESSEY 8.50 15/6/1986	94 5/8	7.46 / 3.96	9.52 / 10.19	8.98	102.00	60 / 1981	2.50 / DP1977
20.00 / 18.80	1973 / 99.00	PMH INTERNATIONAL 8.00 1/3/1988	87 7/8	9.17 / 6.31	10.08 / 10.73	9.10	101.00	60C / 1981	1.20 / DP1976
40.00 / 40.00	1977 / 100.00	RHM OVERSEAS FIN 9.00 15/8/1992	91 1/8	13.63 / 10.55	10.22 / 10.43	9.88	11.10 / 101.50	45 / 1985	2.00 / DP1981
25.00 / 21.25	1971 / 100.00	RANK ORGANISATION 8.75 1/11/1986	93 7/8	7.84 / 4.55	9.90 / 10.51	9.32	103.00	60 / 1979	2.50 / DP1976
40.00 / 40.00	1977 / 100.00	RANK INTERNATIONAL 9.00 15/5/1987	90 1/8	8.36 / 7.06	10.83 / 11.08	9.99	101.50	45 / 1983	4.50 / DP1983
45.00 / 32.75	1969 / 99.50	RIO TINTO-ZINC 6.75 1/5/1984 WW	89 3/8	5.34 / 3.09	9.35 / 10.98	7.55	102.00	60 / 1979	2.75 / 1972
45.00 / 32.75	1969 / 99.50	RIO TINTO-ZINC 6.75 1/5/1984 XW	89 3/4	5.34 / 3.09	9.33 / 10.82	7.52	102.00	60 / 1979	2.75 / 1972
50.00 / 50.00	1977 / 99.50	SELECTION TRUST 8.75 1/8/1989	88 3/8	10.59 / 9.09	10.61 / 10.82	[illegible]	11.81 / 101.00	45 / 1984	2.50 / DP1983
20.00 / 19.50	1971 / 99.50	SLOUGH ESTATES 8.00 1/2/1988	88 1/2	9.04 / 5.35	9.98 / 11.09	9.04	102.00	90C / 1981	1.25 / DP1978
12.00 / 10.50	1971 / 98.50	SLOUGH ESTATES 8.75 15/2/1986	93 5/8	7.13 / 4.42	10.03 / 10.83	9.35	100.00	90C / 1981	.75 / 1977
75.00	1976 / 99.00	SOUTH OF SCOTLAND ELECT 8.25 1/12/1981	96 1/4	2.92	9.78	8.57			
25.00	1973 / 100.00	TEESSIDE CORPORATION 8.00 1/4/1979	99	.25	11.84	8.08			
15.00 / 15.00	1972 / 100.00	TOWN & CITY NEDERLAND 8.00 15/1/1988	82 3/8	9.05 / 4.55	11.19 / 13.44	9.71	103.00	90 / 1981	1.50 / DP1979
18.00 / 11.00	1970 / 100.00	TRUST HOUSES GROUP 7.75 15/4/1985 WW	116	6.29 / 2.75	4.74 / 1.74	6.68	<0 / 102.50	90 / 1979	2.00 / 1973
18.00 / 11.00	1970 / 100.00	TRUST HOUSES GROUP 7.75 15/4/1985 XW	93 1/4	6.29 / 2.75	9.19 / 10.71	8.31	102.50	90 / 1979	2.00 / 1973
30.00 / 30.00	1977 / 99.50	UNITED BISCUITS(UK) 9.00 15/5/1989	96	10.38 / [illegible]	9.61 / 9.66	9.38	10.20 / 101.50	45 / 1984	1.20 / DP1982
25.00 / 22.50	1973 / 98.50	UNITED DOMINION TRUST 9.75 1/12/1988	89 1/2	9.92 / 6.83	10.50 / 11.01	9.78	102.00	45 / 1979	1.00 / DP1975
20.00 / 18.00	1972 / 99.00	WELLCOME FOUNDATION 8.25 1/6/1987	94 1/2	8.42 / 4.42	9.20 / 9.81	8.73	102.00	60 / 1980	2.00 / 1978
25.00 / 21.50	1972 / 100.50	WILLIAMS & GLYN BANK 8.25 1/6/1987	92	8.42 / 5.49	9.66 / 10.20	8.97	102.00	30 / 1980	1.75 / 1977

US DOLLARS-UNITED STATES

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
25.00 / 9.60	1967 / 99.00	AMAX HOLDINGS 6.25 1/6/1982	96 1/2	3.42 / 2.05	7.43 / 8.17	6.48	100.75	30 / 1979	2.20 / 1972
20.00 / 13.20	1971 / 98.00	AMAX INT CAP (SER A) 8.75 1/4/1986	98 1/8	7.25 / 4.37	9.10 / [illegible]	8.92	101.00	30 / 1979	1.36 / DP1974
12.00 / 7.92	1971 / 97.00	AMAX INT CAP 8.75 1/4/1986	98 1/8	7.25 / 4.37	9.10 / 9.28	8.92	101.00	30 / 1979	.82 / DP1974
40.00 / 28.00	1972 / 99.00	AMERADA HESS INT CAP 6.75 1/7/1987 WW	89 1/4	8.50 / 4.65	8.57 / 9.72	7.56	101.00	30 / 1980	3.00 / DP1973
40.00 / 28.00	1972 / 99.00	AMERADA HESS INT CAP 6.75 1/7/1987 XW	88 7/8	8.50 / 4.65	8.64 / 9.83	7.59	101.00	30 / 1980	3.00 / DP1973
25.00 / 16.00	1969 / 96.50	AMERICAN BRANDS O/S 8.00 15/11/1981	97	2.88 / 1.48	9.22 / 10.31	8.25	100.125	30 / 1979	2.00 / DP1971
25.00 / 23.50	1974 / 97.00	AMERICAN MOTORS CORP 9.00 15/1/1989	84 1/8	10.05 / 6.77	11.77 / 12.80	10.70	102.00	90C / 1981	.50 / DP1976
25.00 / 10.30	1965 / 99.50	AMOCO OIL HLDGS 5.75 1/10/1985 S	98 1/4	6.76 / 3.76	6.16 / 6.38	5.94	102.00	30 / 1979	1.47 / 1969
15.00 / 4.50	1968 / 98.00	ARMCO INT FIN 7.25 1/4/1980	97 1/4	1.25 / .81	9.62 / 11.00	7.46	100.00	30 / 1979	2.00 / DP1971
25.00 / 22.50	1972 / 99.25	ASHLAND OIL FIN 8.00 15/6/1987	97 1/4	8.46 / 4.46	8.45 / 8.75	8.23	101.00	30 / 1980	2.50 / 1978
25.00	1978* / 100.00	AVCO O/S CAP 9.25 1/3/1985	96 3/8	6.17	10.05	9.60	10.45 / 100.50	30 / 1983	1.50 / PF1980
5.00 / 1.75	1968 / 100.00	AVERY PRODUCTS INT 7.75 1/12/1980	93 7/8	1.92 / 1.49	11.46 / 12.54	8.26	100.00	30 / 1979	.75 / DP1972
15.00 / 4.50	1966 / 97.50	AVON O/S CAP 6.25 1/2/1981 S	97	2.09 / 1.09	7.98 / 9.31	6.85	100.00	30 / 1979	1.50 / DP1972
100.00	1978* / 100.00	BEATRICE FOODS O/S 7.75 1/5/1983	93 1/2	4.34	9.63	8.19	101.00	30 / 1980	
15.00 / 5.00	1970 / 100.00	BEATRICE FOODS O/S 9.00 15/3/1985	100 3/4	6.21 / 3.87	8.82 / 8.76	8.93	101.00	30 / 1979	1.00 / DP1973
15.00 / 4.00	1969 / 97.00	BENDIX INT FIN 8.50 1/7/1979	97 5/8	.50	13.89	8.19	100.00	30 / 1979	4.00 / DP1970
20.00 / 19.20	1972 / 99.00	BLUE BELL INT FIN 7.75 15/10/1987	90 1/4	8.79 / 5.73	9.42 / 10.06	8.59	102.50	30 / 1979	.80 / DP1978
15.00 / 4.00	1969 / 97.25	BORG-WARNER O/S CAP 8.00 1/9/1979	97 1/2	.67	11.93	8.21	100.00	30 / 1979	4.00 / DP1970
20.00 / 18.00	1972 / 98.00	BURLINGTON O/S CAP 7.75 1/4/1987	91 1/2	8.25 / 5.25	9.26 / 9.86	8.47	100.25	30 / 1978	1.00 / DP1977
15.00 / 7.00	1970 / 99.00	CABOT INT CAP 9.50 15/9/1980 S	98 1/4	1.71 / 1.37	10.91 / 11.02	9.80	100.00	30 / 1979	1.00 / 1971
25.00 / 24.23	1972 / 99.00	CARRIER INT 8.00 15/6/1987	93	8.46 / 6.25	9.21 / 9.52	8.60	101.50	30 / 1979	.75 / DP1978
20.00 / 8.00	1967 / 98.00	CELANESE INT FIN 6.75 1/7/1982	98 3/4	3.50 / 2.00	7.31 / 7.72	6.87	101.00	30 / 1979	3.00 / 1973
25.00 / 7.50	1968 / 98.50	CHEVRON OIL O/S 7.00 1/2/1980	98 5/8	1.09 / .63	10.41 / 13.05	7.24	100.00	30 / 1979	3.50 / DP1974
25.00 / 13.50	1969 / 97.00	CHRYSLER O/S CAP 7.00 15/2/1984	91	5.13 / 2.80	9.28 / 10.91	7.69	101.50	30C / 1979	2.00 / DP1972
100.00	1977 / 100.00	CITICORP O/S FIN 6.75 15/10/1980	94	1.79	10.56	7.18			
200.00	1977 / 99.75	CITICORP O/S FIN 7.00 15/10/1981	93 1/8	2.79	9.91	7.52			
30.00	1977 / 100.00	CITY INVESTING FIN 8.75 1/5/1984	91 7/8	5.34	10.81	9.52	11.79 / 100.00	30 / 1982	1.07 / PF1978
50.00 / 41.00	1971 / 99.25	CONOCO EUROFINANCE 8.00 15/2/1986	94 3/4	7.13 / 4.16	9.01 / 9.58	8.44	100.25	30 / 1979	4.00 / DP1976
50.00 / 47.00	1973 / 99.50	CONSOLIDATED FOODS 7.50 15/1/1991	89	12.03 / 8.31	9.03 / 9.47	8.43	100.375	30Y / 1980	1.00 / DP1976
20.00 / 7.00	1968 / 98.00	CONTINENTAL OIL INT 7.00 1/2/1980	96 5/8	1.09 / .66	10.41 / 12.69	7.24	100.00	30 / 1979	3.00 / 1969
25.00 / 9.90	1970 / 98.00	CONTINENTAL OIL INT 9.50 1/7/1982	102 3/8	6.50 / 4.08	8.93 / 8.70	9.28	7.69 / 100.25	30 / 1980	1.80 / DP1971
20.00 / 17.00	1971 / 100.00	CONTINENTAL TELEPHONE 8.25 15/2/1986	97	7.13 / 3.84	8.83 / 9.22	8.51	103.00	30 / 1979	2.00 / DP1976
20.00 / 10.10	1970 / 99.75	CONTINENTAL TELEPHONE 9.00 1/2/1982	98 7/8	3.09 / 2.08	9.42 / 9.60	9.10	100.00	30 / 1979	1.70 / DP1972
20.00 / 15.00	1971 / 100.00	[illegible] INT 8.50 15/3/1986	98 1/8	7.21 / 4.15	8.85 / [illegible]	8.66	102.00	30 / 1979	1.50 / DP1976
10.00 / 4.00	1968 / 100.00	CUTLER-HAMMER INT FIN 7.50 1/9/1980	96 1/2	1.67 / 1.17	9.82 / 10.83	7.77	100.00	30 / 1979	2.00 / 1972
15.00 / 13.00	1972 / 99.00	CUTLER-HAMMER INT FIN 8.00 15/6/1987	93	8.46 / 5.31	9.21 / 9.73	8.60	100.25	30 / 1980	1.00 / DP1975
20.00 / 5.00	1965 / 96.25	CYANAMID 5.75 1/8/1980 S	95 5/8	1.67 / .92	8.79 / 11.37	6.10	100.50	30 / 1979	1.25 / 1969
20.00 / 19.10	1972 / 99.50	DANA INT 8.00 1/3/1987	93 1/8	8.17 / 5.26	9.21 / 9.72	8.59	101.00	30 / 1979	1.25 / DP1976
120.00	1976 / 100.00	DOW CHEMICAL O/S CAP 8.00 15/12/1986	93 3/8	7.96	9.21	8.57	101.25	45 / 1981	
20.00 / 17.03	1971 / 99.00	DOW CORNING O/S CAP 8.50 15/6/1986	98	7.46 / 4.40	8.86 / 9.05	8.67	102.00	30 / 1979	1.50 / DP1976
50.00 / 35.50	1971 / 97.00	ESSO O/S FIN 8.00 15/3/1986	98 1/8	7.21 / 4.23	8.35 / 8.51	8.15	100.25	30 / 1978	4.00 / DP1976
50.00 / 36.00	1971 / 100.00	ESSO O/S FIN 8.00 15/11/1986	97 7/8	7.88 / 5.86	8.37 / 8.47	8.17	100.25	30 / 1979	1.00 / DP1975
20.00 / 9.50	1970 / 100.00	ESSO O/S FIN 9.00 15/9/1985	102 1/8	6.71 / 4.39	8.56 / 8.39	8.81	7.72 / 100.25	30 / 1980	1.50 / DP1971

US DOLLARS-UNITED STATES (CONTINUED)

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
50.00	1973 / 100.00	FIRST CHICAGO O/S FIN 7.00 15/1/1980	96 5/8	1.03	10.56	7.24			
10.00 / [illegible]	1972 / 100.00	FIRST PENNSYLVANIA INT 7.625 15/11/1984	90	5.88 / 4.25	9.94 / 10.68	8.47	101.50	30 / 1979	.50 / DP1978
20.00	1976 / 99.50	FRUEHAUF INTERNATIONAL 9.00 15/3/1983	96 3/4	4.21	9.96	9.30	10.90 / 100.50	30 / 1981	.80 / DP1977
25.00 / 22.80	1972 / 100.50	GEN AMERICAN TRANSPORT 8.25 1/6/1987	94 1/8	8.42 / 5.50	9.27 / 9.66	8.76	100.25	60 / 1980	1.10 / DP1977
25.00 / 23.50	1972 / 98.00	GENERAL CABLE O/S 8.25 15/5/1987	91 7/8	8.38 / 5.35	9.69 / 10.27	8.98	100.25	45 / 1979	.50 / DP1976
50.00 / 41.50	1965 / 100.00	GENERAL ELECTRIC O/S 4.25 1/12/1985 S	80	6.92 / 5.84	8.26 / 9.53	5.38	100.00	30 / 1979	2.50 / DP1976
20.00 / 13.33	1968 / 98.50	GENERAL MILLS FIN 7.00 1/11/1980 S	96 5/8	1.84 / 1.34	9.23 / 9.97	7.38	100.00	30 / 1979	.67 / 1978
20.00 / 13.50	1971 / 98.75	GENERAL MILLS FIN 8.00 1/3/1986	94 1/4	7.17 / 4.04	9.12 / 9.79	8.49	102.00	30 / 1979	1.50 / DP1973
30.00 / 22.12	1971 / 98.50	GENERAL MOTORS O/S FIN 8.75 15/8/1986	101 1/2	7.63 / 5.69	8.48 / 8.39	8.62	6.53 / 100.25	30 / 1979	1.13 / DP1974
25.00 / 20.43	1975 / 99.75	GOULD INT 9.75 15/6/1983	100 1/4	4.46 / 4.17	9.65 / 9.66	9.73	9.58 / 100.00	30 / 1981	.63 / DP1976
15.00 / 10.75	1971 / 97.00	GROLIER INT 8.75 15/12/1986	75	7.96 / 4.94	14.18 / 16.46	11.67	101.00	30 / 1979	1.00 / DP1974
15.00 / 12.00	1971 / 99.00	GTE INT 8.25 15/11/1986	97 1/8	7.88 / 4.73	8.76 / 9.02	8.49	103.00	60 / 1977	.80 / DP1974
40.00	1968 / 100.00	GULF & WESTERN INT 6.50 1/12/1980 XW	92	1.92	11.35	7.07	100.50	30 / 1979	
50.00	1977 / 100.00	GULF & WESTERN INT 8.25 15/2/1984	88 3/8	5.13	11.35	9.34	100.50	30 / 1982	
40.00	1976 / 100.00	GULF & WESTERN INT 9.25 1/6/1982	94 7/8	3.42	11.09	9.75			
20.00	1975 / 100.00	GULF & WESTERN INT 9.75 15/6/1980	98 1/8	1.46	11.11	9.94			
15.00 / 10.50	1971 / 98.00	HAAS O/S CAP 8.75 1/6/1986	99 5/8	7.42 / 4.67	8.80 / 8.84	8.78	100.25	30 / 1979	1.00 / DP1974
15.00 / 12.00	1972 / 97.50	HILTON INT 7.75 1/11/1987	92	8.84 / 5.40	9.10 / 9.72	8.42	102.00	30 / 1979	1.00 / DP1977
15.00 / 4.75	1966 / 96.00	HONEYWELL INT FIN 6.00 15/2/1981 S	98 1/2	2.13 / 1.13	6.88 / 7.54	6.18	100.25	30 / 1979	.45 / 1969
25.00	1978* / 100.00	HOSPITAL O/S CAP 9.00 15/9/1985	96 5/8	6.71	9.91	9.31	10.28 / 100.00	30 / 1982	
15.00 / 15.00	1970 / 100.00	I.C.C. INT 9.50 1/6/1986 S	85	9.42 / 6.82	12.59 / 13.28	11.49	102.00	30 / 1979	.60 / DP1979
[illegible]	1977 / 100.00	IC INDUSTRIES FIN CORP 8.75 15/6/1987	92 1/4	8.48	10.14	9.49	100.00	30 / 1982	1.25 / PF1978
35.00	1978* / 100.00	IC INDUSTRIES FIN CORP 9.00 15/4/1985	94 3/4	6.29	10.15	9.50	10.55 / 100.00	30 / 1983	
15.00 / 11.75	1966 / 100.00	INT HARVESTER O/S 5.00 1/6/1986 S	75	7.25 / 5.70	10.16 / 11.33	6.78	100.00	30 / 1979	.75 / DP1977
15.00 / 7.38	1966 / 97.50	INT STANDARD ELECTRIC 6.00 1/3/1986 S	91 1/8	7.17 / 3.73	7.77 / 9.04	6.49	101.25	30 / 1979	.48 / DP1971
35.00 / 14.84	1967 / 99.00	INT STANDARD ELECTRIC 6.00 15/5/1987	91	8.38 / 4.20	7.48 / 8.63	6.59	101.75	30 / 1979	2.34 / DP1972
25.00 / 16.00	1971 / 100.00	INT STANDARD ELECTRIC 8.25 1/2/1986	96 1/2	7.09 / 3.90	8.54 / 8.73	8.38	103.00	30 / 1979	2.25 / DP1976
30.00 / 18.75	1970 / 100.00	INT STANDARD ELECTRIC 9.00 1/4/1985	100	6.25 / 3.73	8.98 / 9.00	9.00	102.00	30 / 1979	2.25 / DP1972
25.00 / 17.50	1971 / 100.00	INT STANDARD ELECTRIC 9.00 1/10/1986	100	7.76 / 3.22	8.99 / 9.00	9.00	101.00	30 / 1979	1.50 / DP1974
35.00 / 32.55	1977 / 100.00	I.U. OVERSEAS FIN 8.75 1/7/1987	90 1/8	8.50 / 4.81	10.56 / 11.53	9.71	101.50	45C / 1982	2.45 / DP1978
25.00 / 14.30	1972 / 99.50	INT UTILITIES O/S 8.25 15/3/1982	97 5/8	3.38 / 2.65	9.07 / 9.29	8.45	103.00	45 / 1979	1.75 / DP1973
30.00 / 26.00	1976 / 100.00	INT UTILITIES O/S 9.00 15/12/1983	95 1/8	4.96 / 4.58	10.30 / 10.41	9.46	11.32 / 101.00	45C / 1981	1.00 / DP1977
25.00	1978* / 100.00	ITEL FINANCE 9.75 1/4/1986	95 1/4	9.25	10.86	10.24	11.48 / 101.50	30 / 1983	.43 / PF1978
20.00	1976* / 100.00	ITEL FINANCE INT 9.75 1/10/1990	91 5/8	11.76	11.04	10.64	101.50	30 / 1985	.37 / PF1978
20.00 / 16.40	1971 / 100.00	KIMBERLY-CLARK INT FIN 8.50 15/4/1986	98 1/4	7.29 / 4.32	8.82 / 8.99	8.65	100.25	30 / 1979	1.60 / DP1976
20.00	1976 / 99.25	MACMILLAN BLOEDEL FIN 9.00 15/9/1981	96 1/8	2.71	10.68	9.36			
60.00	1975 / 99.00	MCDONNELL DOUGLAS O/S 9.75 15/11/1981	100 1/8	2.88	9.38	9.71	100.00	1980	
12.50 / 12.50	1975 / 99.50	MARRIOTT O/S 9.75 15/6/1982	99 3/4	3.44 / 2.30	9.80 / 9.82	9.77			4.00 / 1980
20.00	1975 / 100.00	MILES O/S CAP 9.25 1/5/1980	98 1/8	1.34	10.74	9.45	100.50	30 / 1979	
35.00 / 27.00	1968 / 98.50	MOBIL OIL INT FIN 7.00 15/8/1986 S	93 3/8	7.63 / 4.91	8.30 / 8.81	7.42	102.50	30C / 1979	2.00 / 1978
20.00 / 7.40	1970 / 98.50	MONSANTO INT 8.75 15/5/1985	100 3/8	6.34 / 3.84	8.65 / 8.63	8.72	101.75	30 / 1979	1.40 / DP1973
20.00 / 6.50	1967 / 98.50	NABISCO INT FIN 6.50 1/10/1982	96 3/4	3.76 / 2.37	7.51 / 8.06	6.72	100.25	30 / 1979	1.30 / DP1970
30.00 / 30.00	1977 / 99.50	NATOMAS INT CORP 8.00 1/10/1984	90	5.76 / 4.76	10.38 / 10.78	8.89	11.51 / 100.50	45 / 1982	10.00 / 1982
15.00 / 7.50	1972 / 99.50	NORTH AMER ROCKWELL O/S 7.75 1/5/1979	98 1/2	.35	12.21	7.87	100.00	30 / 1979	7.50 / 1977
25.00 / 22.45	1972 / 99.50	NORTH AMER ROCKWELL O/S 8.25 1/5/1987	92 7/8	8.34 / 5.36	9.51 / 10.01	8.88	101.00	30 / [illegible]	.50 / [illegible]
20.00 / 14.00	1969 / 98.00	OCCIDENTAL O/S CAP 7.50 1/3/1984	91 1/4	5.17 / 3.05	9.72 / 11.05	8.22	102.50	30 / 1979	1.00 / DP1973
20.00 / 6.00	1969 / 96.00	OCCIDENTAL O/S CAP 8.25 1/10/1979	95 7/8	.76	14.24	8.60	100.00	30 / 1979	6.00 / DP1972
30.00	1978* / 99.00	OCCIDENTAL INT FIN 8.50 15/1/1983	92 5/8	4.09	10.84	9.18			
60.00	1977 / 100.00	OCCIDENTAL OVERSEAS 8.75 1/2/1987	92 1/8	8.09	10.32	9.30	101.00	30 / 1982	3.00 / PF1978
75.00	1978* / 99.00	OCCIDENTAL INT FIN 8.875 1/6/1985	92 1/4	6.42	10.37	9.62	11.18 / 100.00	30 / 1983	3.00 / PF1980
25.00 / 11.68	1970 / 100.00	OCCIDENTAL O/S CAP 9.25 15/3/1982	96 7/8	3.21 / 2.07	10.41 / 11.00	9.55	100.00	30 / 1980	2.22 / DP1973
30.00	1976 / 100.00	OCCIDENTAL O/S FIN 9.75 1/2/1981	97 5/8	2.09	11.06	9.99	[illegible]	30 / 1980	
30.00	1976 / 100.00	OCCIDENTAL O/S FIN 9.75 1/7/1983	97 3/4	4.50	10.37	9.97	10.76 / 100.00	30 / 1981	.60 / DP1976
50.00 / 24.60	1975 / 98.00	OCCIDENTAL O/S LTD 10.00 1/7/1981	100 1/8	2.50 / 2.28	9.89 / 9.91	9.99	9.82 / 100.00	30 / 1980	1.80 / DP1976
20.00 / 6.00	1970 / 98.50	OTIS ELEVATOR INT CAP 8.75 1/5/1985	99 1/2	6.34 / 3.71	8.86 / 8.91	8.79	101.00	30 / 1979	1.50 / DP1973
20.00 / 19.00	1971 / 100.00	OWENS-CORNING FIBERGLAS 9.00 1/8/1986	100 1/4	7.59 / 4.81	8.94 / 8.92	8.98	102.00	30 / 1979	1.00 / DP1975
25.00 / 22.45	1973 / 98.50	PACIFIC LIGHTING O/S FIN 8.00 15/4/1988	93 1/8	9.29 / 6.15	9.12 / 9.52	8.59	100.375	30 / 1980	.85 / DP1976
20.00	1974 / 98.50	PACIFIC LIGHTING O/S FIN 9.25 15/6/1981	99	2.46	9.68	9.34	100.50	30 / 1979	
100.00	1978* / 99.50	J.C. PENNEY O/S FIN 8.50 1/8/1983	95 3/8	4.59	9.77	8.91	101.00	30 / 1980	
15.00 / 11.70	1972 / 97.50	PENNWALT O/S FIN 8.00 1/5/1987	93 1/2	8.34 / 4.85	9.13 / 9.49	8.56	100.25	30 / 1979	1.10 / DP1976
15.00 / 12.60	1971 / 98.50	PHILIP MORRIS INT CAP 8.50 1/6/1986	98 3/8	7.42 / 4.59	8.79 / 8.93	8.64	101.00	30 / 1979	.60 / DP1975
25.00 / 6.25	1966 / 98.00	PHILLIPS PETROLEUM INT 6.00 15/1/1981 S	96 1/2	2.05 / 1.05	8.04 / 9.83	6.21	100.25	30 / 1979	1.25 / DP1971
25.00 / 10.00	1967 / 99.00	PROCTOR & GAMBLE INT 6.50 15/4/1982	96 1/2	3.71 / 2.21	7.60 / 8.30	6.74	100.25	30 / 1979	2.50 / DP1973
140.00 / 128.00	1977 / 100.00	R.J.REYNOLDS OVERSEAS 7.50 15/11/1982	95	3.89 / 2.39	9.07 / 9.87	7.89			32.00 / 1978
25.00 / 23.00	1972 / 98.00	RALSTON PURINA O/S FIN 7.50 1/2/1987	92 7/8	8.13 / 4.67	8.76 / 9.46	8.08	100.25	30 / 1980	2.00 / DP1977
25.00	1976 / 99.00	READING & BATES 9.50 15/3/1981	98 1/8	2.21	10.45	9.68	100.50	30 / 1980	
14.49 / 14.49	1978* / 100.00	RELIANCE TRANSCONTINENT 6.25 15/2/1988	68 1/4	9.13 / 8.18	12.20 / 12.71	9.16	102.00	1983	.49 / 1981
3.91 / 3.91	1978* / 100.00	RELIANCE TRANSCONTINENT 7.25 15/3/1985	78 3/4	6.13 / 4.33	12.30 / 14.13	9.21	101.00	1983	.47 / 1980
20.00 / 11.00	1970 / 99.75	RICHARDSON-MERRELL 8.75 15/12/1985	99 7/8	6.96 / 4.31	8.77 / 8.80	8.76	8.81 / 100.00	30 / 1980	1.50 / DP1971
20.00	1975 / 99.00	SANTA FE INT FIN 9.75 1/10/1980	98 3/4	1.76	10.51	9.87	100.50	30 / 1979	
30.00 / 24.00	1976 / 100.50	SANTA FE INT FIN 9.50 15/7/1986	98 7/8	7.56 / 6.92	9.70 / 9.72	9.61	10.35 / 102.00	30 / 1982	.60 / DP1977
20.00 / 15.40	1971 / 98.50	SCOTT PAPER O/S 8.75 1/2/1986	99 5/8	7.50 / 4.57	8.80 / 8.83	8.78	100.25	30 / 1979	1.50 / DP1974
50.00	1977 / 100.00	SINGER INTL BV'S 6.75 1/4/1982	93	3.25	11.41	9.41	11.63 / 100.00	30 / 1982	
35.00 / 31.50	1973 / 100.00	STANDARD OIL OF INDIANA 8.375 1/12/1988	97 3/8	9.92 / 7.49	8.78 / 8.87	8.60	100.375	30 / 1980	1.10 / DP1975
30.00 / 27.00	1973 / 97.50	STANDARD OIL OF INDIANA 8.50 15/8/1988	97	9.63 / 7.13	8.96 / 9.08	8.76	100.375	30 / 1980	1.00 / DP1975
25.00 / 23.30	1977 / 99.50	SUNDSTRAND FIN INT 8.75 1/6/1987	94 1/4	8.42 / 7.30	9.76 / 9.88	9.28	101.00	30 / 1982	.82 / DP1978
20.00 / 18.00	1976 / 99.00	SUNDSTRAND FIN INT 9.75 15/2/1983	99 5/8	4.13 / 2.52	9.85 / 9.94	9.79	10.15 / 100.50	30 / 1981	2.00 / 1977
15.00 / 12.60	1972 / 98.00	SYBRON O/S CAP 8.00 1/3/1987	93 3/8	8.17 / 5.38	9.18 / 9.63	8.57	101.00	30 / 1980	.60 / DP1975
37.50 / 37.50	1968 / 100.00	TELEDYNE INT 6.50 1/10/1983 XW	84	4.76 / 2.76	10.98 / 13.84	7.74	102.50	30 / 1979	7.50 / DP1979
20.00	1972 / 100.00	TENNECO INT 7.50 1/11/1979	97 1/4	.84	11.04	7.71	100.00	30 / 1979	
30.00 / 28.00	1972 / 98.00	TENNECO INT 7.75 1/11/1987	90 3/8	8.84 / 6.31	9.38 / 9.87	8.58	101.50	30 / 1980	1.50 / DP1977
100.00	1977 / 99.50	TENNECO INTL 7.75 15/9/1987	89 7/8	8.38	9.74	8.72	101.00	30 / 1982	
30.00 / 28.80	1972 / 100.25	TEXTRON INT 7.75 1/10/1987	90 1/2	8.76 / 6.13	9.38 / [illegible]	8.56	101.50	30 / 1979	1.20 / DP1978
20.00 / 16.00	1971 / 100.00	TRANSAMERICA O/S FIN 8.50 1/12/1986	95	7.92 / 5.11	9.42 / [illegible]	8.95	102.00	30 / 1979	1.50 / DP1975
40.00 / 18.00	1968 / 98.50	TRANSOCEAN GULF OIL 7.00 1/11/1980	96 1/8	1.84 / 1.82	9.37 / 9.70	7.28	100.00	30 / 1979	4.00 / DP1969
30.00 / 17.00	1969 / 97.00	TRANSOCEAN GULF OIL 7.00 1/3/1981	95 3/8	2.17 / 1.68	9.43 / 10.15	7.34	100.00	30 / 1979	2.00 / DP1970
40.00 / 33.70	1971 / 100.00	TRANSOCEAN GULF OIL 7.50 1/1/1987	93	8.01 / 5.76	8.75 / 9.12	8.06	100.25	30 / 1980	2.10 / DP1976
30.00 / 20.00	1969 / 98.00	TRANSOCEAN GULF OIL 8.00 1/12/1984	97 1/8	5.92 / 3.59	8.64 / 8.96	8.24	100.25	30 / 1979	2.00 / DP1971
30.00 / 24.60	1971 / 97.50	TRANSOCEAN GULF OIL 8.00 1/3/1986	96 7/8	7.17 / 4.19	8.59 / 8.91	8.26	100.25	30 / 1979	2.40 / DP1976
20.00 / 13.00	1970 / 100.00	TRANSOCEAN GULF OIL 9.00 15/10/1985	100 1/2	6.79 / 4.37	8.89 / 8.86	8.96	8.78 / 100.25	30 / 1980	1.50 / DP1971
20.00 / 10.75	1968 / 99.00	TRW O/S CAP 7.25 1/11/1983	95 7/8	4.84 / 2.98	8.31 / 8.87	7.56	100.50	30 / 1979	2.00 / DP1969
20.00 / 16.00	1971 / 99.00	TRW O/S FIN 8.75 15/10/1986	98	7.79 / 5.01	9.11 / 9.26	8.93	101.00	30 / 1979	1.00 / DP1975
20.00 / 6.70	1967 / 99.50	U.S. RUBBER UNIROYAL 6.25 1/4/1982 S	96 1/4	3.25 / 2.77	7.71 / 6.76	6.60	101.125	30 / 1979	.95 / 1972
20.00	1972 / 100.00	UNION OIL FIN 7.00 1/2/1979	99 3/8	.09	14.10	7.04	14.61 / 100.00	30 / 1979	
30.00 / 27.00	1972 / 100.00	UNION OIL FIN 7.50 1/2/1987	92 3/8	8.09 / 4.80	8.86 / 9.56	8.12	100.25	30 / 1980	2.00 / DP1977
15.00 / 7.02	1970 / 99.00	UNITED MERCHANTS O/S 9.00 1/3/1982	90	3.17 / 2.03	13.01 / 15.06	10.00	100.00	30 / 1980	1.33 / DP1973
20.00	1972 / 100.50	UTAH INT FIN 7.50 15/3/1979	99	.21	12.21	7.58	100.00	30 / 1979	
20.00 / 19.20	1972 / 100.50	UTAH INT FIN 8.00 15/3/1987	95 3/4	8.21 / 5.42	8.74 / 9.02	8.36	101.00	30 / 1979	.40 / DP1977
20.00 / 6.00	1965 / 97.75	W.R. GRACE O/S 5.75 15/11/1980 S	98 3/8	1.88 / 1.13	6.79 / 7.42	5.93	100.50	30 / 1979	1.25 / 1969
50.00	1977 / 100.00	WALTER KIDDE O'SEAS FIN 8.50 1/7/1985	93 1/8	6.50	9.96	9.13	101.00	30 / 1982	
50.00 / 24.00	1968 / 100.00	ZAPATA O/S 6.75 1/7/1980 WW	93 1/8	1.50 / 1.25	11.93 / 13.00	7.25	101.75	30 / 1979	6.00 / 1978
30.00 / 24.00	1968 / 100.00	ZAPATA O/S 6.75 1/7/1980 XW	92 1/2	1.50 / 1.25	12.46 / 13.61	7.30	101.75	30 / 1979	6.00 / 1978

US DOLLARS-MULTINATIONAL

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
30.00 / 28.00	1972 / 100.00	BAUXITES DE GUINEE 9.00 21/12/1990	97 1/2	12.01 / 7.72	9.62 / 10.45	9.14	102.50	30 / 1979	1.00 / DP1974
20.00 / 9.00	1967 / 100.00	QUEENSLAND ALUMINA INT 6.50 1/3/1982	94 1/8	3.42 / 1.92	8.53 / 10.01	6.91	101.00	30 / 1979	2.25 / 1974
25.00 / 22.00	1972 / 99.00	QUEENSLAND ALUMINA FIN 8.25 1/4/1987	93 3/8	8.25 / 5.36	9.43 / 9.89	8.84	100.50	30 / 1980	.75 / 1975
29.00 / 27.60	1971 / 98.25	QUEENSLAND ALUMINA FIN 8.50 1/3/1986	94 1/4	7.17 / 4.32	9.64 / 10.20	9.02	101.00	30 / 1979	1.30 / 1975

US DOLLARS-MULTINATIONAL (CONTINUED)

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
20.00 / 12.00	1970 / 100.00	QUEENSLAND ALUMINA FIN 9.00 1/4/1982	96 3/4	3.25 / 2.25	10.19 / 10.53	9.30	100.00	30 / 1979	1.00 / 1971
30.00 / 26.00	1972 / 99.50	SCANDINAVIAN AIRLINES 8.00 15/6/1985	93	6.46 / 4.96	9.48 / 9.69	8.60	100.25	30 / 1980	2.00 / DP1973
50.00 / 2.00	1967 / 99.50	SHELL INT FIN 6.50 15/11/1979	97 1/4	.86	9.87	6.68	100.00	30 / 1979	1.00 / DP1973
70.00 / 59.20	1972 / 100.50	SHELL INT FIN 7.50 1/3/1987	91	8.05 / 5.56	9.12 / 9.58	8.24	100.50	90 / 1980	3.40 / DP1979
300.00	1977 / 100.00	SHELL INT FIN 7.75 15/3/1987 P	90	8.21	9.55	8.61	100.00	1983	
60.00 / 47.60	1971 / 100.00	SHELL INT FIN 8.00 1/12/1986	95	7.92 / 6.10	8.90 / 9.11	8.42	100.50	90 / 1979	3.10 / DP1975
300.00	1977 / 99.00	SHELL INT FIN 8.25 1/2/1990	92 3/8	11.09	9.38	8.93	9.93 / 101.50	90C / 1986	25.00 / PF1979
40.00 / 6.85	1962 / 100.50	SOUTH EUROPEAN PIPELINE 5.50 1/3/1982 S	93	3.17 / 1.46	8.20 / 10.46	6.00	101.00	30 / 1979	2.23 / 1962
27.50 / 11.50	1966 / 100.00	TRANSALPINE FIN HLDGS 6.50 31/10/1985	94 1/2	6.84 / 3.92	7.53 / 8.19	6.88	101.50	90C / 1979	1.40 / 1969
30.00 / 16.43	1967 / 98.75	TRANSALPINE FIN HLDGS 6.50 31/7/1982	97 3/8	3.04 / 1.59	7.44 / [illegible]	6.92	101.00	90 / 1980	2.72 / 1972
25.00 / 11.35	1967 / 99.75	TRANSALPINE FIN HLDGS 6.75 30/4/1983	97	[illegible] / 2.33	7.37 / 8.18	6.95	102.00	90 / 1979	2.27 / 1973
20.00 / 9.25	1966 / 98.50	TRANSALPINE FIN HLDGS 6.75 31/1/1981	95 1/2	6.59 / 3.60	7.63 / 8.21	7.07	101.00	90 / 1979	1.17 / 1969
30.00 / 27.00	1972 / 98.25	TRANSAUSTRIA GASLINE 7.50 1/4/1987	85 1/2	9.03 / 6.82	9.94 / 11.04	8.76	101.75	90 / 1979	1.50 / 1976

US DOLLARS-SUPRANATIONAL

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
75.00	1975 / 99.00	ASIAN DEVELOPMENT BANK D 8.50 15/4/1980 S	97 1/2	1.29	10.68	8.72			
100.00	1976 / 99.75	ASIAN DEVELOPMENT BANK 8.50 15/1/1981 S	96 7/8	2.05	10.19	8.77			
70.00	1976 / 99.75	ASIAN DEVELOPMENT BANK 8.625 15/7/1986 S	95 1/8	7.49	9.77	9.07			
5.30 / .15	1965 / 99.25	COUNCIL OF EUROPE 5.75 31/3/1979 S	99	.22	10.02	5.80			[illegible] / 1970
7.10 / 1.50	1965 / 99.25	COUNCIL OF EUROPE 5.75 1/3/1980	97	1.15 / .65	8.83 / [illegible]	5.93			.15 / 1971
20.00 / 17.15	1973 / 98.75	COUNCIL OF EUROPE 8.25 15/1/1984	95 3/4	5.04 / 2.97	9.43 / 9.76	9.17	102.00	1980	1.25 / 1978
18.00 / 18.00	1977 / 100.00	EKSPORTFINANS 9.00 22/12/1992	92 1/2	14.00 / 9.00	9.25 / 10.01	9.73			1.80 / 1983
20.00 / 19.00	1967 / 99.63	EUROFIMA 6.50 1/3/1982	97 1/2	3.25 / 1.75	[illegible]	6.72			2.40 / 1973
50.00 / 50.00	1977 / 99.50	EUROFIMA 7.50 15/1/1984	91 1/8	5.05 / 4.55	9.81 / 10.05	7.23	101.00	90 / 1981	25.00 / DP1983
20.00 / 18.00	1973 / 99.50	EUROFIMA 7.50 15/2/1988	91 1/4	9.13 / 5.08	8.85 / 9.76	8.22	102.00	30 / 1981	3.00 / 1977
50.00 / 28.00	1976 / 99.25	EUROFIMA 8.50 15/1/1983	95 3/4	4.13 / 3.56	9.79 / 9.98	8.88	101.00	30 / 1980	1.00 / 1977
20.00 / 20.00	1978* / 94.50	EUROFIMA 9.50 1/7/1985	93 1/4	6.50 / 5.90	9.84 / 10.06	9.12	101.00	30 / 1982	.80 / DP1980
40.00 / 40.00	1978* / 100.00	EUROFIMA 8.50 15/1/1988	93 3/8	9.05 / 7.75	9.67 / 9.71	9.15	10.20 / 101.50	30 / 1985	1.00 / 1981
25.00 / 23.75	1976 / 98.50	EUROFIMA 8.50 15/1/1989	93 1/8	10.05 / 5.66	9.54 / 10.16	9.13	102.00	30 / 1982	1.50 / 1978
50.00	1975 / 100.00	EUROFIMA 9.00 15/3/1982 S	97 5/8	3.21	10.11	9.43	10.47 / 100.00	30 / 1981	
25.00 / 6.85	1962 / 99.00	EUROPEAN COAL & STEEL 5.25 15/4/1982 S	90 7/8	3.29 / 1.85	8.66 / 11.13	5.89	100.25	30 / 1979	1.65 / DP1968
30.00 / 12.00	1964 / 99.00	EUROPEAN COAL & STEEL 5.25 15/11/1984	89 7/8	5.85 / 3.38	7.27 / 8.85	5.84	100.50	30C / 1979	1.20 / DP1970
25.00 / 3.55	1965 / 97.00	EUROPEAN COAL & STEEL 5.375 15/10/1980 S	91 7/8	1.79 / 1.33	10.72 / 12.53	5.94	100.00	30 / 1979	1.50 / DP1966
15.00 / 8.00	1966 / 99.50	EUROPEAN COAL & STEEL 6.50 15/6/1990	90 5/8	7.46 / [illegible]	8.22 / 9.31	7.17	100.50	30C / 1979	[illegible]
20.00 / 10.55	1966 / 96.50	EUROPEAN COAL & STEEL 6.50 1/12/1986	90 1/8	7.92 / [illegible]	8.25 / [illegible]	7.21	101.00	30C / 1979	1.35 / 1972
25.00 / 14.20	1967 / 99.50	EUROPEAN COAL & STEEL 6.50 1/3/1987	91 1/4	8.17 / 5.03	7.99 / 8.29	7.12	101.00	30C / 1979	1.70 / 1973
20.30 / 11.90	1967 / 98.50	EUROPEAN COAL & STEEL 6.625 1/10/1987	90 1/2	8.76 / 5.67	8.24 / 9.12	7.32	101.00	30C / 1979	1.35 / 1973
30.00 / 29.00	1973 / 99.50	EUROPEAN COAL & STEEL 7.00 15/1/1988	86	9.05 / 5.89	9.15 / 10.29	8.14	102.50	60Y / 1979	1.00 / DP1978
50.00	1977 / 99.00	EUROPEAN COAL & STEEL 7.25 15/2/1982	93 1/2	3.13	9.75	7.75			
30.00	1977 / 99.50	EUROPEAN COAL & STEEL 7.625 15/5/1984	91 1/2	5.38	9.71	8.33			
20.00 / 16.00	1971 / 98.50	EUROPEAN COAL & STEEL 7.75 1/9/1986	105 3/4	7.67 / 4.17	6.82 / 6.26	7.33	1.33 / 101.00	30C / 1979	2.00 / 1977
50.00 / 49.00	1976 / 100.00	EUROPEAN COAL & STEEL 7.75 1/2/1989	107	10.09 / 5.14	6.77 / 6.12	7.24	<0 / 101.50	30Y / 1979	4.00 / DP1977
30.00	1976 / 99.50	EUROPEAN COAL & STEEL 7.875 15/10/1981	95 1/2	2.79	9.77	8.25			
30.00	1976 / 99.50	EUROPEAN COAL & STEEL 8.00 1/12/1983	90 3/4	4.92	10.49	8.82			
25.00 / 22.00	1977 / 100.00	EUROPEAN COAL & STEEL 8.00 1/9/1986 P	94 3/4	7.67 / 3.66	8.96 / 9.68	8.44	101.25	60 / 1980	3.00 / 1978
75.00	1976 / 99.50	EUROPEAN COAL & STEEL 8.125 15/11/1984 S	92 3/4	5.88	10.01	8.93	10.29 / 100.00	30 / 1983	
20.00	1976 / 99.00	EUROPEAN COAL & STEEL 8.25 15/3/1979	99	.21	12.92	8.33			
10.00	1977 / 100.00	EUROPEAN COAL & STEEL 8.25 15/1/1987 P	92	8.13	9.71	8.97			
50.00 / 50.00	1977 / 100.50	EUROPEAN COAL & STEEL 8.25 1/10/1989	90 7/8	10.76 / 8.60	9.64 / 9.86	9.08	10.56 / 101.50	60C / 1984	3.00 / DP1981
150.00	1975 / 99.50	EUROPEAN COAL & STEEL 8.375 15/2/1983 S	95 1/4	4.15	10.04	8.99	10.44 / 100.00	30 / 1982	
30.00	1978* / 99.00	EUROPEAN COAL & STEEL 8.375 15/2/1983	92 3/4	4.13	10.80	9.03			
23.00 / 23.00	1975 / 99.25	EUROPEAN COAL & STEEL 8.50 1/8/1986 P	93 5/8	7.59 / 4.09	9.51 / 10.76	8.98			2.98 / 1979
20.00 / 20.00	1978* / 99.00	EUROPEAN COAL & STEEL 8.50 1/3/1990	93 1/2	11.17 / 7.67	9.46 / 9.74	9.09	10.57 / 102.50	90C / 1984	2.50 / 1981
75.00	1976 / 99.50	EUROPEAN COAL & STEEL 8.625 1/5/1984 S	95 1/4	5.36	[illegible]	9.06	100.00	1983	
100.00	1974 / 99.25	EUROPEAN COAL & STEEL 8.75 1/12/1979 S	98 3/8	.93	[illegible]	[illegible]	100.00	30 / 1979	

US DOLLARS-SUPRANATIONAL (CONTINUED)

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
65.00	1976 / 100.00	EUROPEAN COAL & STEEL 8.75 15/1/1981	97 3/8	2.05	10.23	8.99			
35.00 / 35.00	1976 / 99.50	EUROPEAN COAL & STEEL 8.75 1/7/1988	96 5/8	9.50 / 3.23	9.90 / 10.01	9.06	101.00	60C / 1979	2.00 / 1976
50.00	1978* / 99.75	EUROPEAN COAL & STEEL 8.75 15/6/1987	94 3/8	8.46	9.74	9.27	10.34 / 101.50	28C / 1984	
100.00 / 97.50	1977 / 100.75	EUROPEAN COAL & STEEL 8.75 1/10/1997	92 1/4	18.74 / 10.98	9.63 / 9.93	9.49	103.00	60C / 1984	3.50 / DP1978
125.00	1975 / 100.00	EUROPEAN COAL & STEEL 8.875 15/12/1980 S	97 1/2	1.96	10.38	9.31	11.05 / 100.00	30 / 1980	
75.00 / 75.00	1976 / 99.00	EUROPEAN COAL & STEEL 8.875 15/11/1996 S	94 5/8	17.88 / 10.88	9.73 / 9.92	9.60	10.12 / 102.32	30 / 1988	5.00 / DP1982
50.00	1976 / 100.00	EUROPEAN COAL & STEEL 9.00 15/1/1983 P	98 5/8	4.05	9.50	9.13	10.14 / 100.50	40C / 1981	
25.00 / 25.00	1978* / 100.00	EUROPEAN COAL & STEEL 9.00 1/4/1993	96 3/8	14.25 / 10.68	9.46 / 9.35	9.34	10.25 / 102.25	60C / 1984	.88 / 1979
100.00 / 48.25	1977 / 100.00	EUROPEAN COAL & STEEL 9.00 15/6/1995	95	16.38 / 9.63	9.60 / 9.81	9.47	10.37 / 102.50	90C / 1985	1.75 / 1976
100.00 / 100.00	1976 / 99.00	EUROPEAN COAL & STEEL 9.00 1/5/1996 S	95 7/8	17.34 / 10.32	9.71 / 9.87	9.62	10.08 / 102.15	30 / 1988	6.67 / DP1982
75.00 / 75.00	1977 / 100.00	EUROPEAN COAL & STEEL 9.125 1/4/1997 S	94 7/8	18.25 / 11.25	9.71 / 9.87	9.64	10.01 / 102.88	30 / 1989	5.00 / DP1983
30.00	1975 / 100.00	EUROPEAN COAL & STEEL 9.25 1/11/1981	98 1/2	2.84	10.15	9.39			
60.00	1976 / 100.00	EUROPEAN COAL & STEEL 9.25 15/1/1986	97 5/8	7.05 / 5.77	9.71 / 9.82	9.48	101.25	40C / 1981	2.50 / 1977
[illegible]	1978* / 99.50	EUROPEAN COAL & STEEL 9.25 1/4/1998	[illegible]	19.25 / 11.17	9.41 / 9.46	9.59	10.13 / 101.50	60C / 1984	.75 / 1979
50.00	1978* / 99.00	EUROPEAN COAL & STEEL 9.75 15/1/1999	96 1/4	20.05 / 10.90	9.76 / [illegible]	10.13	102.25	30 / 1985	1.50 / DP1982
200.00	1976 / 99.50	EUROPEAN COMMUNITY 7.50 1/12/1979 S	97 1/4	.92	10.96	7.84			
200.00	1977 / 99.00	EUROPEAN COMMUNITY 7.50 1/6/1982	92 7/8	3.42	10.03	8.08			
200.00	1977 / 99.50	EUROPEAN COMMUNITY 7.625 1/7/1983 S	93 5/8	3.50	10.06	8.71			
100.00	1976 / 100.00	EUROPEAN COMMUNITY 7.75 1/10/1981 S	95 1/8	2.76	10.08	8.12			
100.00	1977 / 99.00	EUROPEAN COMMUNITY 7.75 1/6/1982	91 1/4	3.42	9.99	8.49			
300.00	1976 / 99.00	EUROPEAN COMMUNITY 8.25 1/4/1982	95	3.25	10.10	8.68			
25.00 / 20.00	1966 / 94.50	EUROPEAN INVESTMENT BANK 5.50 15/12/1984	90 1/8	5.96 / 3.46	7.62 / 8.66	6.10	100.50	30 / 1979	1.67 / DP1970
20.00 / 9.35	1965 / 96.50	EUROPEAN INVESTMENT BANK 6.00 15/4/1985	90 5/8	6.71 / 3.71	7.84 / 9.07	6.62	100.625	30 / 1979	1.33 / DP1971
25.00 / 15.50	1967 / 98.00	EUROPEAN INVESTMENT BANK 6.50 1/2/1982	94 1/2	3.09 / 1.59	8.59 / 10.46	6.88	100.50	30C / 1979	3.75 / DP1973
25.00 / 17.00	1967 / 96.00	EUROPEAN INVESTMENT BANK 6.50 15/9/1982	96 5/8	3.71 / 2.21	8.31 / 9.43	6.69	100.50	30C / 1979	3.75 / DP1973
15.00 / 6.00	1966 / 94.50	EUROPEAN INVESTMENT BANK 6.50 15/9/1986	91 3/4	7.59 / 4.09	7.98 / 9.00	7.08	100.50	30C / 1979	1.00 / 1971
25.00 / 15.00	1967 / 99.75	EUROPEAN INVESTMENT BANK 6.75 1/6/1987	91 7/8	8.42 / 4.42	7.84 / 8.78	7.07	100.875	30 / 1979	1.67 / DP1973
25.00 / 17.00	1968 / 94.00	EUROPEAN INVESTMENT BANK 6.75 1/3/1980	95	1.17 / .67	11.50 / 15.23	7.12	100.00	28C / 1979	8.50 / DP1971
75.00 / 60.78	1972 / 99.50	EUROPEAN INVESTMENT BANK 7.00 15/12/1987	86 3/4	8.96 / 5.39	9.24 / 9.56	8.07	101.00	60Y / 1982	2.37 / DP1973
50.00 / 43.00	1972 / 98.50	EUROPEAN INVESTMENT BANK 7.25 15/10/1987	89	8.79 / 6.30	9.11 / 9.54	8.15	102.00	60C / 1982	2.00 / DP1973
75.00 / 65.90	1973 / 98.50	EUROPEAN INVESTMENT BANK 7.25 15/2/1988	87 3/8	9.13 / 7.10	9.36 / 9.70	8.30	102.00	90Y / 1983	2.00 / DP1974
25.00 / 21.50	1969 / 98.50	EUROPEAN INVESTMENT BANK 7.50 1/11/1984 S	91 3/8	5.84 / 3.77	9.67 / 10.58	8.38	102.00	30Y / 1979	.50 / DP1972
50.00 / 45.00	1973 / 97.50	EUROPEAN INVESTMENT BANK 7.50 15/2/1990	87 1/2	11.11 / 6.76	9.15 / 10.14	8.57	102.00	30 / 1980	2.50 / DP1977
50.00	1976 / 99.75	EUROPEAN INVESTMENT BK D 7.75 15/11/1981	94 7/8	2.86	9.87	8.17			
75.00	1977 / 99.75	EUROPEAN INVESTMENT BANK 7.75 1/10/1984 S	91 3/8	5.78	9.97	8.66	10.32 / 100.00	30 / 1983	
75.00	1977 / 100.25	EUROPEAN INVESTMENT BANK 8.00 1/4/1984	92 1/2	5.25	9.95	8.67			
60.00	1973 / 99.50	EUROPEAN INVESTMENT BANK 8.00 15/10/1988	114 1/8	9.79	6.04	7.01	<0 / 101.50	30 / 1979	1.50 / PF1974
75.00	1976 / 99.50	EUROPEAN INVESTMENT BANK 8.25 1/9/1983	94 3/8	4.67	9.78	8.74			1.50 / PF1977
30.00	1976 / 100.00	EUROPEAN INVESTMENT BANK 8.25 1/11/1983	93 7/8	4.84	9.89	8.79			1.00 / PF1977
50.00	1977 / 100.00	EUROPEAN INVESTMENT BANK 8.25 10/1/1985	93 1/4	6.03	9.78	8.85	10.60 / 101.00	30C / 1983	
30.00	1977 / 99.75	EUROPEAN INVESTMENT BANK 8.25 15/10/1987	91 3/8	8.79	9.74	9.03	101.25	45 / 1982	1.00 / PF1978
50.00	1977 / 99.75	EUROPEAN INVESTMENT BANK 8.25 1/4/1987	91 1/8	8.25	9.86	9.05	10.59 / 100.50	90C / 1984	
60.00	1978* / 99.75	EUROPEAN INVESTMENT BANK 8.375 1/6/1986	93 3/4	7.42	9.57	8.93	100.75	30C / 1982	4.80 / PF1979
100.00 / 100.00	1977 / 99.50	EUROPEAN INVESTMENT BANK 8.375 1/10/1992 S	91 7/8	13.76 / 9.26	9.46 / 9.96	9.32	10.16 / 101.82	30 / 1987	10.00 / DP1983
25.00 / 20.00	1971 / 100.00	EUROPEAN INVESTMENT BANK 8.50 15/5/1986	95 3/8	7.38 / 4.93	9.38 / 9.70	8.91	102.00	60Y / 1981	1.00 / DP1974
30.00 / 27.30	1973 / 98.50	EUROPEAN INVESTMENT BANK 8.50 1/12/1988	92 1/2	9.96 / 9.09	9.71 / 9.78	9.19	101.50	30 / 1979	.90 / PF1975
100.00	1978* / 99.50	EUROPEAN INVESTMENT BANK 8.50 1/2/1988	92 1/8	9.09	9.84	9.23	10.70 / 100.75	30C / 1984	3.60 / PF1979
100.00	1976 / 99.75	EUROPEAN INVESTMENT BANK 8.625 1/4/1984 S	95 1/8	5.25	10.07	9.27			
100.00	1978* / 99.61	EUROPEAN INVESTMENT BANK 8.625 1/3/1985 S	94 3/4	6.17	10.01	9.31	10.19 / 100.00	30 / 1984	
30.00 / 22.50	1971 / 100.00	EUROPEAN INVESTMENT BANK 8.75 1/1/1986	96 3/8	7.01 / 4.21	9.48 / 9.86	9.08	102.00	60Y / 1981	1.50 / DP1974
40.00 / 38.00	1975 / 97.50	EUROPEAN INVESTMENT BANK 8.75 15/4/1986	96 3/4	7.29 / 6.13	9.37 / 9.46	9.04	101.50	28C / 1979	1.00 / DP1975
50.00	1976 / 99.25	EUROPEAN INVESTMENT BANK 8.75 1/9/1988	96 1/8	9.67	9.36	9.10	9.98 / 101.00	30Y / 1983	1.75 / PF1977
20.00	1977 / 100.00	EUROPEAN INVESTMENT BANK 8.75 1/4/1992	94	13.25	9.56	9.31	9.92 / 101.00	90C / 1987	2.00 / PF1978
100.00	1978* / 99.50	EUROPEAN INVESTMENT BANK 8.75 1/2/1993	93	14.09	9.68	9.41	10.03 / 101.00	30C / 1988	5.00 / PF1979

US DOLLARS-SUPRANATIONAL (CONTINUED)

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
100.00	1978* / 99.10	EUROPEAN INVESTMENT BANK 8.875 1/10/1986 S	95 1/2	7.76	9.94	9.31	10.06 / 100.00	30 / 1985	
75.00 / 75.00	1976 / 99.50	EUROPEAN INVESTMENT BANK 8.875 15/12/1996 S	94 1/2	17.96 / 10.96	9.75 / 9.91	9.61	10.13 / 102.40	30 / 1988	5.00 / DP1982
100.00	1975 / 99.50	EUROPEAN INVESTMENT BANK 9.00 15/9/1980	98 1/2	1.71	9.94	9.14			
75.00	1975 / 100.00	EUROPEAN INVESTMENT BANK 9.00 1/11/1982 S	97 1/2	3.84	10.03	9.24			
50.00	1975 / 99.00	EUROPEAN INVESTMENT BANK 9.00 15/12/1982	98 3/4	3.96	9.39	9.11	100.00	30C / 1979	3.30 / DP1976
20.00	1975 / 99.75	EUROPEAN INVESTMENT BANK 9.00 15/1/1982	98 1/4	3.05	9.68	9.16			
100.00	1978* / 99.25	EUROPEAN INVESTMENT BANK 9.00 15/9/1990	96 3/4	11.71	9.46	9.30	9.78 / 101.00	30C / 1983	4.00 / PF1979
75.00 / 75.00	1977 / 100.00	EUROPEAN INVESTMENT BANK 9.00 15/5/1997 S	96 1/4	18.35 / 11.35	9.45 / 9.77	9.37	9.86 / 102.50	30 / 1989	5.00 / DP1983
100.00 / 100.00	1978* / 99.50	EUROPEAN INVESTMENT BANK 9.125 1/7/1993	95 3/8	14.50 / 10.00	9.72 / 9.86	9.57	9.95 / 101.60	60 / 1984	10.00 / 1984
125.00 / 125.00	1978* / 99.00	EUROPEAN INVESTMENT BANK 9.125 1/10/1998 S	96 3/8	19.76 / 14.61	9.76 / 9.81	9.49	10.00 / 102.40	30 / 1990	6.25 / DP1986
100.00 / 100.00	1978* / 99.55	EUROPEAN INVESTMENT BANK 9.25 1/3/1998 S	97 1/4	19.17 / 14.12	9.79 / 9.84	9.76	10.03 / 102.60	30 / 1990	5.00 / DP1986
60.00 / 58.01	1975 / 100.50	EUROPEAN INVESTMENT BANK 9.50 15/2/1985	99 7/8	6.13 / 5.13	9.51 / 9.52	9.51	10.45 / 101.00	30 / 1980	2.50 / DP1976
40.00	1977 / 100.00	NORDIC INVESTMENT BANK 7.75 1/6/1984	91 1/4	5.42	9.89	8.49	101.00	45 / 1981	
25.00	1978* / 100.00	NORDIC INVESTMENT BANK 8.75 15/3/1986	95 1/2	9.34	9.48	9.16	10.24 / 101.00	45 / 1983	.60 / PF1976
10.00	1978* / 100.00	NORDIC INVESTMENT BK 8.75 15/5/1988 P	96 1/2	9.38	9.51	9.07	9.82 / 101.50	45C / 1984	
200.00	1977 / 100.00	WORLD BANK 7.00 1/3/1982 S	92	3.34	10.11	7.61			
250.00	1977 / 100.00	WORLD BANK 7.125 1/8/1982 S	92	3.59	10.06	7.74			
200.00	1977 / 100.00	WORLD BANK 7.65 1/5/1987 S	88 3/8	8.34	9.95	8.64			
250.00	1977 / 100.00	WORLD BANK 7.75 1/8/1987 S	88 5/8	8.59	9.97	8.74			
250.00	1976 / 99.80	WORLD BANK 7.80 1/12/1986 S	89 3/8	7.92	9.79	8.72			
300.00	1975 / 100.28	WORLD BANK 8.00 1/1/1980 S	97 5/8	1.01	11.12	8.20			
250.00	1976 / 100.00	WORLD BANK 8.00 1/7/1981 S	95 1/2	2.50	10.33	8.38			
200.00	1975 / 100.00	WORLD BANK 8.15 1/1/1985 S	93	6.01	9.95	8.76			
200.00 / 200.00	1977 / 99.25	WORLD BANK 8.25 1/5/2002 S	88 1/2	23.34 / 17.58	9.70 / 9.85	9.34	10.41 / 102.50	30 / 1989	8.00 / DP1990
200.00	1975 / 100.00	WORLD BANK 8.30 15/7/1980 S	98 7/8	1.51	10.62	8.39			
250.00	1975 / 100.00	WORLD BANK 8.35 15/12/1980 S	96 5/8	1.96	10.35	8.63			
250.00 / 250.00	1977 / 100.00	WORLD BANK 8.35 1/8/2002 S	89 3/8	23.59 / 17.83	9.71 / 9.84	9.34	10.34 / 102.50	30 / 1990	18.00 / DP1990
250.00	1976 / 100.00	WORLD BANK 8.375 1/7/1986 S	93 7/8	7.50	9.57	8.92			
250.00 / 250.00	1976 / 99.53	WORLD BANK 8.375 1/12/2001 S	89 3/4	22.92 / 17.16	9.70 / 9.86	9.33	10.38 / 102.50	30 / 1989	10.00 / DP1989
200.00	1975 / 100.00	WORLD BANK 8.60 15/7/1983 S	94 3/4	4.54	9.94	9.08			
250.00	1975 / 100.00	WORLD BANK 8.65 15/12/1985 S	95 5/8	6.96	9.56	9.04			
250.00 / 250.00	1976 / 100.00	WORLD BANK 8.85 1/7/2001 S	94 1/8	22.50 / 16.76	9.71 / 9.79	9.42	10.21 / 102.75	30 / 1989	10.00 / DP1989
250.00 / 250.00	1975 / 100.00	WORLD BANK 9.35 15/12/2000 S	98 1/4	21.96 / 16.20	9.77 / 9.79	9.52	10.06 / 102.75	30 / 1988	10.00 / DP1988

US DOLLARS-FLOATING RATE

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Price	Life / Average life	Yield to maturity / to avge. life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S/F amount / First S/F date
25.00 / 25.00	1975 / 100.00	ADELA INVESTMENT 8:1-3/8 10.438 8/1/1983 S	101	4.03 / 2.53		10.33	100.00	30C / 1979	3.30 / 1979
40.00	1978* / 100.00	AFRICAN DEV BANK 7:1/4 9.438 27/7/1983 S	96 3/8	4.58		9.79	100.00	30C / 1981	
25.00	1978* / 100.00	ALAHLI BK.KUWAIT 5.5:1/4 9.438 23/8/1983 S	97 7/8	4.65		9.64	100.00	30C / 1980	
30.00	1977 / 100.00	ALLIED IRISH BK 6.75:1/4 10.188 24/3/1984 S	98	5.23		10.40	100.00	30C / 1981	
40.00	1978* / 100.00	AMERICAN EXP INT 7:1/4 10.625 20/4/1982 S	99	3.31		10.73	100.00	30C / 1980	
25.00	1978* / 100.00	ARAB INTL BANK 6.5:3/8 9.375 31/7/1983 S	96	4.59		9.77	101.00	40Y / 1981	
30.00	1977 / 100.00	ANDELSBANKEN 7.5:1/4 12.375 2/6/1984 S	98 1/8	5.42		12.61	100.00	360C / 1981	
60.00	1976 / 100.00	B.C.I. 7.75:1/4 10.438 24/4/1981 S	99	2.29		10.54	100.00	30 / 1979	
25.00	1976 / 100.00	B.F.C.E. 6.5:1/4 11.25 27/10/1983 S	99 1/4	4.83		11.34	100.00	30 / 1980	
30.00	1977 / 100.00	B.F.C.E. 6.375:1/4 9.438 23/8/1984 S	98 1/2	5.65		9.58	100.00	30C / 1981	
40.00	1977 / 100.00	BANCO DO BRASIL 6.75:1/4 9.00 15/2/1982 S	98 1/8	3.13		9.17	100.00	60 / 1979	
25.00	1978* / 100.00	BCO CENT SL SALV 8:1-1/4 11.313 12/10/1983 S	96 7/8	4.79		11.68			
30.00	1978* / 100.00	BANCO NAC ARGENT 8:1/4 9.375 21/7/1983 S	97 1/8	4.56		9.65	100.00	30 / 1981	
25.00	1978* / 100.00	BANCO UNION 7.75:1/4 10.188 1/4/1983 S	96 3/4	4.25		10.53	100.00	30 / 1981	
100.00	1978* / 100.00	BFG FIN CO L 5.5:1/4 5.50 12/1/1989 S	88 1/4	10.06		[illegible]	100.00	300 / 1981	
30.00	1976 / 100.00	BANK HANDLOWY 6.25:1-1/4 13.125 10/6/1981 S	99	2.45		13.26	101.00	45Y / 1979	
30.00 / 30.00	1978* / 100.00	BANK HANDLOWY L8:1-1/4 12.938 25/5/1988 S	97 3/8	9.40 / 7.40		13.29	101.00	60C / 1981	6.00 / 1984
40.00	1975 / 100.00	BANK OF TOKYO 8:1/4 11.938 29/11/1980 S	100 1/4	1.89		11.91	100.00	30C / 1979	
35.00	1976 / 100.00	BANK OF TOKYO 6.75:1/4 10.625 20/10/1981 S	100 1/8	2.82		10.61	100.00	30C / 1979	
60.00	1977 / 100.00	BANK OF TOKYO 6.5:1/4 12.313 15/11/1984 S	99 5/8	5.88		12.36	100.00	30C / 1981	

US DOLLARS—FLOATING RATE (CONTINUED)

Amount / Issue price	Year of issue	Borrower / Coupon / Maturity	Price	Yield		Current yield	Call price / Call date	
30.00 / 100.00	1978*	BANK OF TOKYO 5.3:1/4 10.50 18/10/1993 S	96 3/4	14.80		10.85	100.00	1983
30.00 / 100.00	1978*	BANQUE WORMS 5.75:1/4 12.00 15/ 6/1985 S	98 5/8	6.46		12.20	100.00	1981
30.00 / 100.00	1976	B.N.P. 9.438 20/ 3/1981 S	99	2.64		9.31	100.00	1979
35.00 / 100.00	1978*	BQUE EXT D'ALG 8.375:1/5 9.625 9/ 8/1984 S	96 7/8	5.61		9.94	100.00	1981
40.00 / 100.00	1978*	BQUE EXT D'ALGER 7.5:5/8 12.75 3/11/1985 S	95 5/8	[illegible]		13.33	100.00	1980
30.00 / 100.00	1977	BQUE NAT D'ALGE 7.75:3/4 10.88 15/10/1982 S	[illegible]	3.79		11.03	100.00	1983
30.00 / 100.00	1976	BAYER VEREINS 11.375 1/ 6/1981 S	100	2.62		11.38	100.00	[illegible]
75.00 / 100.00	1976	B.N.P. 9.313 1/ 3/1983 S	98 3/4	4.17		9.43	100.00	1979
50.00 / 100.00	1975	B.N.P. 9.625 18/ 9/1981 S	99 3/4	[illegible]		9.65	100.00	[illegible]
70.00 / 100.00	1977	B.N.P. 9.313 21/ 1/1983 S	99 5/8	4.05		9.35	100.00	[illegible]
75.00 / 100.00	1978*	B.N.P. 9.75 21/ 2/1984 S	98 3/4	5.15		9.37	100.00	[illegible]
30.00 / 100.00	1976	BQUE IVOO ET SUEZ 9.313 15/ 7/1981 S	99 5/8	2.54		9.35	100.00	[illegible]

[illegible]

US DOLLARS—FLOATING RATE (CONTINUED)

[illegible]

AUSTRALIAN DOLLARS

[illegible]

AUSTRIAN SCHILLINGS

[illegible]

CANADIAN DOLLARS

[illegible]

CANADIAN DOLLARS (CONTINUED)

[illegible]

EUROGUILDERS

[illegible]

EUROGUILDERS (CONTINUED)

[illegible]

EURO COMPOSITE UNITS

[illegible]

EURO CURRENCY UNITS

[illegible]

EURO UNITS OF ACCOUNT

[illegible]

EURO UNITS OF ACCOUNT (CONTINUED)

[illegible]

Issued / Amt O/S (mln)	Year of issue / Issue price	Borrower / Coupon Maturity	Price	Life / Average life	Yield to maturity / to average life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S.F. amount (mln) / First S.F. date
		FRENCH FRANCS							
100.00 / 100.00	1975 / 99.25	AEROSPATIALE 10.00 6/ 5/1985	P 101 5/8	6.35 / 3.35	9.62 / 9.38	9.84			15.00 / 1979
100.00 / 80.00	1972 / 98.50	B.A.T. INT FIN 7.50 15/11/1987	82 7/8	8.86 / 6.63	10.56 / 11.29	9.05	102.25	30 / 1979	4.00 / DP1973
100.00 / 60.00	1972 / 100.00	BASF TRANSATLANTICA 7.50 17/ 5/1987	86 1/4	8.34 / 5.94	9.99 / 10.71	8.70	101.50	30 / 1979	4.60 / 1974
50.00 / 38.00	1972 / 100.00	BASS CHARRINGTON 7.50 1/ 8/1987	81 7/8	8.59 / 6.36	10.83 / 11.46	9.16	102.25	60 / 1979	2.00 / DP1973
100.00 / 85.00	1972 / 100.00	BRITISH LEYLAND MOTOR 7.50 20/ 9/1987	80 1/2	5.75 / 5.45	11.09 / 12.46	9.32	102.25	60 / 1979	6.00 / DP1977
150.00	1975 / 100.75	CHARBONNAGES DE FRANCE 10.00 5/12/1980	101 7/8	1.93	8.89	9.82			
80.00	1975 / 100.00	CHARBONNAGES DE FRANCE 10.25 15/ 4/1982	102 3/8	3.29	9.34	10.01	8.54 / 100.50	30 / 1980	4.60 / PF1976
100.00 / 98.90	1972 / 98.00	CHARTER CONSOLIDATED O/S 7.50 1/10/1987	77 3/4	8.76 / 6.98	11.66 / 12.43	9.65	101.50	90 / 1979	2.00 / 1973
100.00 / 85.00	1972 / 100.00	CIMENTS LAFARGE 7.50 17/ 7/1987	84 1/4	8.50 / 5.60	10.36 / 11.34	8.90	102.25	75 / 1979	5.00 / 1973
125.00 / 100.25	1975 / 100.00	CREDIT FONCIER DE FRANCE 10.25 27/ 5/1982	102 3/8	3.41 / 2.55	9.37 / 9.14	10.01	8.29 / 101.00	45 / 1979	9.25 / 1975
60.00	1975 / 100.00	CREUSOT-LOIRE 10.25 17/10/1980	101 1/2	1.80	9.26	10.10			
100.00 / 52.00	1972 / 94.50	DENMARK, KINGDOM OF 7.50 1/ 9/1987	85 5/8	8.67 / 5.67	10.03 / 10.93	8.76	102.00	75 / 1979	6.00 / 1976
100.00 / 87.50	1973 / 100.00	DENMARK, KINGDOM OF 7.75 15/ 4/1988	85 1/2	9.29 / 7.01	10.23 / 10.79	9.06	102.00	75 / 1979	2.50 / 1974
150.00 / 150.00	1978* / 99.50	ELF AQUITAINE 9.25 14/12/1993	95 5/8	9.46 / 8.35	9.97 / 9.99	9.59	10.32 / 100.625	300 / 1982	19.00 / 1985
200.00 / 90.00	1973 / 95.50	ESSO-FINTERAP 8.00 16/ 7/1983	86 1/8	9.55 / 6.43	10.36 / 11.11	9.29	101.50	60 / 1979	4.00 / DP1974
20.00 / 35.00	1973 / 100.20	EUROPEAN COAL & STEEL 7.00 1/ 7/1983	97 3/8	1.50 / 1.08	8.85 / 9.68	7.19	100.50	90 / 1979	15.00 / 1976
150.00 / 135.00	1972 / 99.00	EUROPEAN COAL & STEEL 7.25 1/ 4/1987	86 1/8	8.25 / 6.25	9.74 / 11.53	8.42	101.375	60 / 1979	15.00 / 1978
150.00 / 147.50	1973 / 99.50	EUROPEAN COAL & STEEL 7.50 1/ 7/1991	81 1/2	12.50 / 9.79	10.17 / 10.62	9.20	101.375	60 / 1979	2.50 / 1975
225.00 / 175.00	1975 / 100.50	EUROPEAN COAL & STEEL 10.00 15/ 5/1982	101 7/8	3.39 / 2.20	9.30 / 9.25	9.82	7.71 / 101.00	60 / 1979	5.00 / 1977

Issued / Amt O/S (mln)	Year of issue / Issue price	Borrower / Coupon Maturity	Price	Life / Average life	Yield to maturity / to average life	Current yield	Yield to next call / Next call price	Call not (days) / Next call date	Next S.F. amount (mln) / First S.F. date
		SPECIAL DRAWING RIGHTS							
50.00	1975 / 100.00	ALUSUISSE INT 9.00 15/ 6/1980	99 1/8	1.46	9.59	9.08	102.00	30 / 1979	
50.00	1975 / 100.00	ELECTRICITE DE FRANCE 9.00 17/ 7/1982	99 1/2	4.55	9.11	9.05	9.92 / 101.00	30 / 1980	
40.00 / 40.00	1975 / 100.00	SWEDISH INVESTMENT BANK 9.00 1/ 7/1982	98 3/4	3.50 / 2.00	9.40 / 9.71	9.11	102.00	30 / 1979	10.00 / 1979
25.00	1978* / 100.00	SWEDISH INVESTMENT BANK 9.00 1/12/1985	99 3/8	6.92	9.12	9.06	9.52 / 101.50	30 / 1982	.75 / DP1980

INVESTMENT FUNDS

The following funds include Eurobond issues within their portfolios

Quotations & Yields as at 31st Dec., 1978

SOCIETE GENERALE De BANQUE
BANQUE GENERALE Du LUXEMBOURG

Fund	Price	First Issue Price	Yield %	Div. Date
Rentinvest	LuxFr 817	LuxFr 1000	[illegible]	20 Nov (F67)
Capital Rentinvest	LuxFr 1365	LuxFr 1000	(Capitalisation)	

	1977/78 High	1977/78 Low	1975/78 High	1975/78 Low
Rentinvestment	LuxFr 918	LuxFr 814	LuxFr 918	LuxFr 814
Capital Rentinvest	LuxFr 1423	LuxFr 1286	LuxFr 1423	LuxFr 1064

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Advertisement

28th DECEMBER 1978

WestLB Euro-Deutschmarkbond Quotations and Yields

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D = mandatory drawing by lot at par S = sinking fund
8% ADELA 76/83	104.20	7.68	4.28	6.82	1. 4.83
7¼% ADELA 77/82P	101.00	7.18	3.46	5.90	16. 6.82
7% ADELA 77/82P	100.50	6.97	3.59	6.82	1. 8.82
6% AEG 66/81	105.50	5.69	1.59	2.42	1. 2.72 81D
6½% Airport Paris 69/84P (G)	100.00	6.50	3.11	6.49	1. 3.75—84D
9% AKZO 75/82P	106.75	8.43	3.09	6.51	1. 2.82
7¾% AKZO 76/83P	104.00	7.45	4.42	6.66	1. 6.83
6% AKZO 78/84P	100.00	6.00	5.26	5.99	1. 4.84
8¼% Alusuisse Int'l. 75/83	109.00	7.57	3.57	5.40	1. 8.81—83D
6¾% AMEX Int'l. 77/84P	102.00	6.62	5.26	6.28	1. 4.84
10% A.P.E.L. 74/81 (G)	104.00	9.62	1.90	7.04	1.12.77—81D
7¾% ARBED Finance 76/83P	103.75	7.47	4.84	6.81	1.11.83
6¾% ARBED Finance 77/87	99.25	6.80	8.42	6.86	1. 6.83—87S
8¾% Ardal-Sunndal 75/81P	105.00	8.33	2.51	6.49	1. 7.81
6¾% Ardal-Sunndal 77/89P	100.00	6.75	6.83	6.74	1. 7.82—89D
7% Argentine 67/79	102.50	6.83	0.92	4.17	1.12.70—79S
8% Argentine 69/79	104.25	7.67	0.92	3.31	1.12.72—79S
7½% Argentine 77/84	102.75	7.30	5.76	6.90	1.10.84
6½% Argentine 78/85	99.10	6.56	6.17	6.68	1. 3.85
6½% Argentine 78/88	95.80	6.78	7.77	7.22	1.11.84—88D
7% Asian Dev. Bk. 69/84	103.00	6.80	3.09	6.01	1. 9.76—84S
8½% Asian Dev. Bk. 75/80P	104.50	8.13	1.88	5.89	16.11.80
8% Asian Dev. Bk. 76/82	104.60	7.65	3.17	6.38	1. 3.82
7¾% Asian Dev. Bk. 76/83P	105.00	7.38	4.25	6.36	1. 4.83
7% Asian Dev. Bk. 77/85	102.40	6.84	6.25	6.51	1. 4.85
5½% Asian Dev. Bk. 78/88	92.25	5.96	9.34	6.63	1. 5.88
9½% ASKO 75/80P	104.00	9.13	1.28	6.05	1. 4.80
7½% Aumar 75/88 (G)	101.00	[illegible]	4.85	7.38	1. 2.79—88D
9% Aumar 76/84 (G)	105.25	8.55	3.03	6.99	15. 8.77—84S
7¾% Aumar 77/84 (G)	103.45	7.49	5.80	6.95	1. 7.84
6½% Australia 67/82	103.45	6.28	2.31	4.87	1.11.73—82S
6¾% Australia 68/83	106.50	6.34	2.56	4.08	1. 8.74—83S
6½% Australia 69/84	103.25	6.30	3.04	5.40	1. 2.75—84S
7¼% Australia 69/84	104.75	6.92	3.26	5.71	1.11.75—84S
7% Australia 72/87	105.50	6.64	4.64	5.62	1. 2.78—87S
10% Australia 74/80	108.25	9.24	1.76	4.85	1.10.80
9% Australia 75/82	108.25	[illegible]	3.08	5.65	1. 2.82
8¼% Australia 75/82 IP	108.00	7.64	3.28	5.49	1. 4.82
8¼% Australia 75/82 IIP	108.00	7.64	3.34	5.54	1. 5.82
7¼% Australia 76/83	108.00	6.71	4.17	5.07	1. 3.83
5¼% Australia 77/82P	101.75	5.16	3.76	4.72	1.10.82
5¾% Australia 77/89	98.60	5.83	10.84	5.93	1.11.85—89S
6% Australia 78/88	101.50	5.97	9.87	5.79	1. 9.88
6¾% Austr. Ind. Dev. Corp. 72/87	101.50	6.65	4.63	6.36	1.11.78—87D
8% Austr. Ship. Com. 76/83P (G)	105.75	7.57	4.67	6.52	1. 9.83
7% Rep. of Austria 68/82	103.00	6.80	1.72	5.22	1. 4.73—82S
6½% Rep. of Austria 69/83	101.35	6.41	2.30	5.92	1. 4.75—83S
9½% Rep. of Austria 74/79P	102.60	9.27	0.51	4.29	1. 7.79
9¾% Rep. of Austria 74/80P	109.00	[illegible]	1.84	4.52	1.11.80
9¾% Rep. of Austria 74/81P	109.00	8.94	2.92	6.28	1.12.81
9½% Rep. of Austria 75/80P	103.75	9.16	1.09	5.83	1. 2.80
8¼% Rep. of Austria 75/81P	106.00	7.78	2.42	5.61	1. 6.81
8¾% Rep. of Austria 75/82P	102.25	8.56	3.71	7.27	1. 4.79—82D
9% Rep. of Austria 75/83	107.00	8.41	4.09	6.97	1. 2.83
8¾% Rep. of Austria 75/83P	102.50	8.54	2.18	7.44	1. 4.79—83D
8½% Rep. of Austria 75/87	107.00	7.94	4.32	6.57	1. 5.78—87S
7¾% Rep. of Austria 76/86	107.25	7.23	5.80	6.21	2. 5.83—86S
6¾% Rep. of Austria 77/85	104.00	6.49	5.37	5.85	1. 4.83—85S
7% Rep. of Austria 77/87	103.50	6.76	5.84	6.28	1. 1.83—87D
6¾% Rep. of Austria 77/87P	103.00	6.55	6.03	6.14	1. 2.83—87D
6% Rep. of Austria 77/87P	99.00	6.06	7.13	6.32	1. 9.84—87D
5¾% Rep. of Austria 78/88P	97.00	5.93	7.48	6.20	15. 7.84—88D
5¾% Rep. of Austria 78/90	94.75	6.07	11.84	6.39	1.11.85—90S
7% Autopistas Catalun 78/85P	100.00	7.00	6.05	7.00	16. 1.85
7¼% Autopistas Espan. 69/84 (G)	102.00	7.11	2.91	6.59	1. 7.73—84S
8% Autopistas Espan. 71/86 (G)	104.75	7.64	4.08	6.78	1.10.77—86D
6¾% Autopistas Espan. 72/87 (G)	99.60	6.78	4.54	6.84	1.10.78—87D
8% Banco N. Obras 71/86 (G)	104.00	7.69	4.16	6.99	1.11.77—86S
9% Banco N. Obras 76/81 (G)	106.25	8.47	2.87	6.38	1. 9.81
7¼% Banco N. Obras 77/82P (G)	101.00	7.18	3.63	6.91	16. 8.82
7% Banco N. Obras 7/82P (G)	100.37	6.97	3.80	6.87	16.10.82
7% Banco N. Obras 77/84 (G)	102.00	6.86	5.78	6.68	1.10.84
5¾% Bk. Amerika Overs. Fin. 78/90	99.60	5.77	11.84	6.80	1.11.90
7½% Banque Ext. Algerie 77/83	100.60	7.46	4.79	7.34	15.10.81—83D
7¼% Banque Ext. Algerie 78/85	97.00	7.47	5.84	7.90	1.11.83—85D
7¼% Banque Nat. Algerie 78/83	98.75	7.34	4.17	7.60	1. 3.83
8% Barlow Rand Inv. 78/82 IP (G)	99.75	8.02	3.63	8.06	15. 8.82
8% Barlow Rand Inv. 78/82 IIP (G)	99.75	8.02	3.71	8.06	15. 9.82
6% BASF 65/80	108.00	5.56	1.75	1.35	1.10.71—80D
7½% BEC Finance 76/83P	103.50	7.25	4.84	6.62	1.11.83
8% Beecham Fin. 76/83	107.00	7.48	4.84	6.27	1.11.83
10% Bergen 74/79	103.80	9.63	0.92	5.63	1.12.79
8¾% Bergen 75/85	108.40	8.07	4.28	6.42	1. 5.81—85D
7¼% Bergen 77/89	104.50	6.94	6.89	6.31	1. 2.81—89D
8¼% BFCE 75/83 (G)	105.50	7.82	3.48	6.42	1. 7.81—83S
8¼% BFCE 76/84 (G)	106.25	7.76	4.49	6.58	1. 7.82—84S
7% BFCE 77/87 (G)	103.50	6.76	6.03	6.28	1. 2.83—87S
5¾% BFCE 78/88 (G)	95.35	6.03	9.04	6.44	15. 1.86—88S
8½% BNDE 77/87	105.75	8.04	5.65	7.21	1. 4.83(82—87)
6¾% BNDE 78/86	97.25	6.94	7.17	7.25	1. 3.86
9% Borregaard 76/81P	105.00	8.57	2.34	6.59	1. 5.81
6½% Borregaard 77/84P	100.50	6.47	5.78	6.39	1.10.84
8½% Brascan Int'l. 73/88	103.75	8.19	5.41	7.82	1.10.79—88S
6¾% Brazil 72/87	98.75	6.77	8.78	6.78	1.10.76—87S
8¾% Brazil 76/86	106.10	8.25	4.78	7.18	1.10.82(80—86)
7¾% Brazil 77/84	102.00	7.60	5.34	7.27	1. 5.84
6¾% Brazil 78/85	99.80	6.76	6.09	6.79	1. 2.85
7¼% Brazil 79/87	100.00	7.25	8.01	7.25	1. 1.87
6¾% Brenner 68/83 (G)	104.00	6.49	2.54	5.11	1. 8.74—83S
5½% British Petrol 66/80	102.60	5.36	0.92	3.28	1. 6.71—80D
6¾% Bruxelles-Lambert 77/84P	100.00	6.75	5.96	6.75	15.12.84
8½% Burmah Oil 70/86	104.80	8.11	3.70	7.12	1.11.76—86D
4¾% Canada 78/83P	98.50	4.82	4.39	5.13	20. 5.83
5% Canada 78/84P	98.90	5.06	5.38	5.29	10. 5.84
6% Carlsberg-Tuborg 77/87P	100.00	6.00	8.92	6.00	1.12.85—87D
8½% C.C.C.E. 75/85 (G)	107.85	7.88	4.19	6.30	1. 4.81—85D
8½% C.C.C.E. 76/86 (G)	108.35	7.84	5.98	6.74	1. 7.83—86D
7% C.C.C.E. 77/89 (G)	103.65	6.75	6.43	6.28	1. 4.81—89D
5½% C E C A 64/79	100.00	5.50	0.42	5.56	1. 6.69—79D
5½% C E C A 65/83	103.50	5.31	2.73	4.11	1. 4.71—83D
7½% C E C A 71/86	104.50	7.18	3.88	6.08	1. 5.77—86D
6½% C E C A 72/87	102.50	6.34	4.32	5.82	1. 7.78—87D
7% C E C A 72/88	102.75	6.81	4.80	6.32	2. 1.78—88D
6½% C E C A 73/88	101.25	6.42	5.06	6.20	1. 4.79—88D
7¾% C E C A 73/88	119.00	6.51	5.19	3.65	1.11.79—88D
10% C E C A 74/79 IP	104.00	9.62	0.59	2.88	1. 8.79
10% C E C A 74/79 IIP	104.00	9.62	0.67	3.80	1. 8.79
10% C E C A 74/81P	109.00	9.17	2.67	6.21	1. 8.81
9¾% C E C A 74/81	111.75	8.72	2.92	5.30	1.12.81
8% C E C A 75/80P	104.50	7.66	1.92	5.46	1.12.80
8½% C E C A 75/82P	105.00	8.10	3.17	6.68	1. 3.82
8% C E C A 75/82	109.75	7.29	3.96	6.21	15.12.82
8½% C E C A 75/86	105.00	8.10	3.98	6.89	1. 4.76—86D
8% C E C A 76/81P	104.50	7.66	2.96	6.28	15.12.81
7¾% C E C A 76/83	108.75	7.13	4.78	5.69	1.10.83
7¾% C E C A 76/86	106.25	7.29	5.09	6.40	1.10.82—86D
6% C E C A 78/88	97.00	6.19	9.84	6.42	1.11.88
5¾% C E C A 78/90	90.62	6.35	9.07	6.66	1. 4.85—90D
6% C E C A 78/90P	97.50	6.15	7.83	6.40	1. 8.83—90D
7¾% C.E.D. South-Africa 78/82P (G)	99.75	7.77	3.58	7.81	20. 7.82
6½% CERGA 73/81P	102.00	6.37	2.26	5.52	1. 4.81
7% CESP 77/87 (G)	100.20	6.99	6.24	6.96	1.11.83(82—87)
6½% Charter Cons. Overs. 68/83	101.35	6.41	2.70	6.03	1.10.72—83S
6% Chase Manhattan Ov. 78/93	101.75	5.90	9.94	5.79	1. 9.84—93S
7% Chrysler 69/84	100.50	6.97	2.91	6.92	1. 7.76—84S
6¾% CIBA-GEIGY ex w. 76/85P	109.00	6.19	6.78	5.13	1.10.86
6½% C.N. Autoroutes 69/84 (G)	101.25	6.42	3.11	6.04	1. 3.76—84D
9½% C.N. Autoroutes 75/82 (G)	105.00	9.05	3.05	7.59	16. 1.82
6½% C.N. Energie 69/84P (G)	101.00	6.44	3.03	6.12	1. 2.76—84D
8½% C.N. Telecom. 69/83 (G)	102.85	8.32	2.79	5.36	1.11.74—83S
8½% C.N. Telecom 70/85 (G)	105.25	8.08	3.62	6.95	1.10.76—85S
8¾% C.N. Telecom. 75/82 (G)	102.35	8.55	0.17	3.53	clld. p. 1. 3.79(101,5)
9¼% C.N. Telecom. 75/83P (G)	102.50	9.02	0.13	5.01	clld.p. 16. 2.79(102)
9% C.N. Telecom. 75/83P (G)	102.00	8.82	0.13	8.49	clld.p. 16. 2.79(102)
7¼% C.N. Telecom. 76/83 (G)	103.75	6.99	4.30	6.22	16. 4.83
7¾% Comalco 71/86	105.00	7.38	3.95	6.40	1. 8.77—86S
9¼% Comalco 75/82P	102.25	9.05	3.42	6.43	1. 8.82
7% Com. Fed. Electr. 77/82P	100.50	6.97	3.67	6.83	1. 9.82
8% Com. Fed. Electr. 77/84P	104.95	7.62	5.42	6.86	1. 6.84
7¼% Com. Fed. Electr. 77/85	101.20	7.16	5.30	6.96	1.11.82—85D
6¾% Com. Fed. Electr. 78/88	97.30	6.94	7.19	7.24	1. 4.84—88D
5% Commerzbank Int'l. 79/84P	99.50	5.03	5.01	5.12	1. 1.84
4½% Comp. F. Deutsche Bk. 78/83P	98.25	4.45	4.34	4.83	1. 5.83
5% Comp. F. Deutsche Bk. 78/84P	100.00	5.00	5.01	5.00	1. 1.84
8½% Comp. Franc. Petr. 76/85	106.50	7.98	2.87	6.57	1. 5.80—86S
6½% Comp. Franc. Petr. 77/84	103.50	6.28	5.51	5.73	1. 7.84
8½% Consorzio 70/91 (G)	109.25	7.78	6.12	6.75	1. 1.77—91D
5¾% Copenhagen 64/84	100.00	5.75	5.96	5.75	15.12.70—84D
7% Copenhagen 68/83	104.00	6.73	2.44	6.32	2. 5.72—83S
6¾% Copenhagen 69/84	104.50	6.46	2.85	6.10	1. 6.75—84S
7¾% Copenhagen 71/86	105.75	7.33	3.79	6.12	1. 4.77—86S
9¼% Copenhagen 75/85P	103.00	8.98	0.17	8.38	clld.p. 1. 3.79(103)
7½% Copenhagen 76/86	106.00	7.08	5.76	6.22	1.12.81—86S
6% Copenhagen 78/90	95.12	6.31	11.84	6.60	1.11.81—90S
6½% Council of Europe 73/81P	101.50	6.40	2.34	5.78	1. 5.81
7% Council of Europe 73/88	103.50	6.76	4.76	6.12	1. 7.79—88D
9½% Council of Europe 75/82P	108.00	8.80	3.09	6.55	1. 2.82
8½% Council of Europe 76/83	105.50	8.06	2.55	6.10	1. 2.79—83D

WestLB Euro-Deutschmarkbond Yield Index

December 28th, 1978: 6.36%

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
7¾% Council of Europe 76/83	104.50	7.42	2.80	5.94	1. 5.80—83D
7% Council of Europe 76/83	106.00	6.60	4.92	5.57	1.12.83
6¼% Council of Europe 77/87	99.46	6.28	6.78	6.35	1.11.83-87D
6¼% Council of Europe 78/86P	98.50	6.35	7.51	6.50	1. 7.86
6⅛% Council of Europe 78/88	99.15	6.18	7.32	6.27	16. 5.84—88D
6¼% Council of Europe 78/88	98.00	6.38	9.84	6.53	1.11.84—88D
6¼% Council of Europe 78/88P	98.00	6.38	9.84	6.53	1.11.84—88D
6½% Courtaulds Int'l. 72/87	100.55	6.46	4.84	6.35	1. 7.80—87S
7¼% Courtaulds Int'l. 73/88P	101.00	7.18	0.09	6.95	clld.p. 1. 2.79(101)
6% Credit National 77/87 (G)	99.20	6.05	8.76	6.12	1.10.83—87S
5¾% Credit National 78/83P (G)	99.75	5.76	4.87	5.80	1. 9.83
9% CVRD 76/84	106.10	8.48	4.07	7.21	1. 2.81(82—84)
8½% CVRD 76/86	105.50	8.06	6.38	6.46	1.12.82(83—86)
8% Daimler-Benz 70/85	105.00	7.62	3.71	6.56	1.11.78—85D
5½% Daishowa Paper 78/83P	98.50	5.58	4.59	5.87	1. 8.83
6% Danish Export 77/82P	99.75	6.02	2.30	6.11	1.11.78—82D
5¾% Danish Export 78/83P	99.50	5.78	2.36	5.96	1. 6.79—83D
8¼% Den Danske Bk. 76/86	106.50	7.75	5.77	6.84	1.11.82—86S
6½% Denmark 66/80P	101.25	6.42	1.25	5.52	1.10.72—80D
7% Denmark 69/84	101.75	6.88	3.00	6.45	1. 8.75—84S
6¾% Denmark 72/87	101.10	6.68	4.91	6.48	1.12.78—87S
9¼% Denmark 74/89	108.65	8.51	5.38	7.24	1. 3.80—89S
8¼% Denmark 76/82	108.25	7.76	3.09	5.97	1. 2.82
8% Denmark 76/82	106.50	7.51	3.67	5.96	1. 9.82
6¾% Denmark 77/83	102.50	6.59	4.38	6.07	16. 5.83
7¼% Denmark 77/87	104.45	6.94	8.38	6.54	16. 5.87
5¼% Denmark 78/84	99.00	5.30	5.09	5.48	1. 2.84
6% Denmark 78/88	97.35	6.16	9.09	6.39	1. 2.88
6¾% Den Norske Ind. 77/89 (G)	102.50	6.59	5.67	6.20	1. 6.80—89D
6% Den Norske Ind. 78/90 (G)	97.60	6.15	7.68	6.40	1. 5.83—90D
6½% District Paris 69/84 (G)	101.50	6.40	2.92	5.91	1. 4.75—84D
7¼% E E C 76/83	106.75	6.79	4.26	5.42	1. 4.83
7¾% Elect. Council 71/86 (G)	104.00	7.45	0.17	1.84	clld.p. 1. 3.79(103,5)
7% Elektrobras 77/87 (G)	100.50	6.97	6.61	6.89	1. 8.83(83—87)
6¾% Electrobras 78/86 (G)	98.37	6.86	7.26	7.04	1. 4.86
5¼% Elf Aquitaine 78/88	93.50	5.61	8.36	6.27	15. 5.86—88D
5¾% Elf Norge 77/80P	101.25	5.68	1.30	4.71	16. 4.80
5¾% Elkem 78/88P	94.00	6.12	7.36	6.81	1. 6.84—88D
6% ENEL 65/80 (G)	100.25	5.99	1.00	5.82	1. 7.68—80D
6¾% Ericsson 72/87	101.65	6.64	4.71	6.33	1. 3.78—87S
8¾% ESAB 76/81P	105.00	8.33	2.09	6.12	1. 2.81
6½% ESCOM 65/80 (G)	100.50	6.47	1.25	6.04	1.10.71—80D
6½% ESCOM 68/83 (G)	99.50	6.53	2.89	6.69	1.10.74—83D
8½% ESCOM 70/85 (G)	104.55	8.13	3.66	7.03	1. 4.76—85D
8% ESCOM 71/86 (G)	100.65	7.95	4.02	7.86	1. 3.77—86D
6¼% ESCOM 72/87 (G)	92.60	6.75	4.41	8.31	1. 9.78—87D
7% ESCOM 73/88 (G)	95.50	7.33	4.51	8.22	1. 5.79—88D
9¼% ESCOM 76/80 (G)	104.25	8.87	1.59	6.31	1. 8.80
8% ESCOM 78/81 I P (G)	99.50	8.04	1.53	8.35	15. 1.80—81D
8% ESCOM 78/81 II P (G)	99.50	8.04	1.58	8.33	1. 2.80—81D
8¼% ESCOM 76/81P (G)	100.00	8.25	2.09	8.24	1. 2.81
8% ESCOM 78/84P (G)	99.50	8.04	5.84	8.10	1.11.84
7¾% ESTEL 73/88	102.00	7.60	5.26	7.26	1. 8.79—88S
8½% ESTEL 75/85	105.50	8.06	4.76	7.08	1. 6.81—85S
8½% ESTEL 76/83P	105.75	8.04	4.17	6.86	1. 3.83
6½% ESTEL 77/84P	100.00	6.50	5.84	6.49	1.11.84
6¼% ESTEL 77/84P	99.75	6.27	4.80	6.31	1.12.82—84D
6¼% ESTEL 78/85P	99.75	6.27	6.76	6.29	1.10.85
5¾% Euratom 77/87	95.30	6.03	8.84	6.48	1.11.87
5½% Eurofima 64/79	100.00	5.50	0.59	5.44	1. 8.67—79D
6% Eurofima 65/80	103.75	5.78	1.42	3.25	1.12.68—80D
6½% Eurofima 67/83	106.00	6.13	2.63	4.04	1. 9.71—83D
7¾% Eurofima 71/86	101.75	7.62	0.09	4.45	clld.p. 1. 2.79(101,5)
6¼% Eurofima 72/87	101.00	6.19	4.48	5.98	1. 9.76—87D
6½% Eurofima 73/88	103.00	6.31	4.99	5.78	1. 3.77—88D
8% Eurofima 73/88	104.00	7.69	4.98	7.01	1.10.77—88D
10% Eurofima 74/79P	104.25	9.59	0.92	5.14	1.12.79
9% Eurofima 75/85	107.75	8.36	4.02	6.73	1. 2.81—85D

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D = mandatory drawing by lot at par S = sinking fund
8% Eurofima 76/83	109.90	7.28	4.09	5.24	1. 2.83
6¾% Eurofima 77/87P	102.00	6.62	6.03	6.34	1. 2.83—87D
5½% Eurofima 78/88	98.50	5.58	6.55	5.78	15. 2.84—88D
5% Eurofima 78/88P	94.75	5.30	8.10	6.33	1.11.85—88D
6% Europ. Inv. Bank 69/84	101.75	5.90	3.12	5.45	1. 3.75—84D
7% Europ. Inv. Bank 69/84	104.50	6.70	3.26	5.35	1.11.75—84D
8% Europ. Inv. Bank 70/80	105.60	7.58	1.34	3.71	2. 5.80
7½% Europ. Inv. Bank 71/86	103.00	7.28	4.04	6.75	1. 3.77—86D
7¾% Europ. Inv. Bank 71/86	106.25	7.29	4.10	5.95	1.10.77—88D
6½% Europ. Inv. Bank 72/87	101.50	6.40	4.52	6.00	1. 3.78—87D
6% Europ. Inv. Bank 72/87	99.00	6.06	5.01	[illegible]	1. 9.80—87D
6¾% Europ. Inv. Bank 73/88	103.00	6.55	5.09	6.04	1. 2.79—88S
7% Europ. Inv. Bank 73/88	102.50	6.83	5.21	[illegible]	1. 7.79—88S
10% Europ. Inv. Bank 74/81P	110.60	9.05	2.67	5.03	1. 9.81
8% Europ. Inv. Bank 75/80	106.25	7.53	1.92	4.55	1.12.80
9½% Europ. Inv. Bank 75/83	110.50	8.60	2.99	5.59	1. 1.81—83D
8% Europ. Inv. Bank 76/83	108.00	7.41	2.97	5.02	1. 7.80—83D
7¾% Europ. Inv. Bank 76/83P	106.50	7.28	4.76	6.12	1.10.83
6¾% Europ. Inv. Bank 76/84	104.00	6.49	4.39	5.69	1.12.81—84D
6% Europ. Inv. Bank 77/89	98.25	6.11	6.93	6.31	1. 8.82—89D
6% Europ. Inv. Bank 78/88 IP	98.00	6.12	9.59	6.28	1. 8.88
6% Europ. Inv. Bank 78/88 IIP	97.85	6.13	9.98	6.30	15.11.88
5¼% Europ. Inv. Bank 78/90	90.20	5.82	8.56	6.79	1. 3.85—90D
6% Europ. Inv. Bank 78/90	96.25	6.23	11.70	6.46	1.10.90
6¾% Europistas 71/86 (G)	104.00	7.33	3.95	7.19	1. 2.77—86D
8% Europistas 72/87 (G)	105.00	7.62	4.35	6.76	1. 1.78—87D
7½% Fin. Inst. f. Dan. Ind. 76/81P	102.00	7.35	2.04	6.42	1.12.78—81S
6¼% Finland 64/79	102.75	6.08	0.67	2.11	1. 9.70—79D
6% Finland 64/80	102.00	5.88	1.01	4.00	2. 1.71—80D
7% Finland 68/83	101.10	6.92	2.36	6.53	1. 6.72—83D
6¾% Finland 68/83	101.50	6.65	2.86	6.26	1.12.72—83D
7% Finland 69/84	100.50	6.97	2.74	6.91	2. 5.73—84D
7½% Finland 69/84	102.20	7.34	3.16	6.62	1.10.73—84D
7% Finland 72/87	101.50	6.90	4.04	6.68	1. 4.78—87S
8% Finland 76/84	104.00	7.69	3.83	6.77	1. 6.81—84S
5½% Finland 78/83P	97.00	5.67	4.09	6.35	1. 2.83
6% Finland 78/83	98.75	6.08	4.93	6.30	1.12.83
5¾% Finland 78/83	95.50	6.00	7.09	6.49	1. 2.86
7½% Finn. Kommunal 69/81 (G)	102.50	7.32	1.90	5.18	1.12.72—81D
8% Finn. Kommunal 71/83 (G)	103.00	7.77	2.28	6.63	2. 5.76—83D
8¼% Forsmarks 75/83 (G)	106.00	7.86	2.97	6.22	1. 7.80—83D
5¾% Forsmarks 78/90 (G)	94.25	6.10	7.38	6.70	16. 1.83—90D
7½% Francetel 76/83 (G)	105.00	7.14	4.80	6.25	16.10.83
6¾% Francetel 77/84P (G)	103.00	6.55	5.26	6.06	1. 4.84
7% Fuji Heavy 76/81P	101.00	6.93	2.92	6.61	1.12.81
9¼% Gen. Zbk. Vienna 75/82P	108.50	8.53	3.17	6.20	1. 3.82
8½% Gen. Zbk. Vienna 76/83P	106.00	8.02	3.58	6.50	1. 2.82-83D
6% Gen. Zbk. Vienna 77/87	100.25	5.99	6.66	5.95	1.12.83-87D
9¾% Giroz. Vienna 74/79P	104.25	9.35	0.92	4.91	1.12.79
9¾% Giroz. Vienna 74/80P	107.25	9.09	1.92	5.65	1.12.80
7% Giroz. Vienna 76/81	104.00	6.73	2.84	5.43	1.11.81
7¼% Giroz. Vienna 76/83	106.50	6.81	4.84	5.67	1.11.83
5½% Giroz. Vienna 77/82	101.00	5.45	3.76	5.19	1.10.82
5¾% Giroz. Vienna 78/86P	98.75	5.82	7.76	5.95	1.10.86
6% G.I.S. 78/83P	98.75	6.08	4.17	6.34	1. 3.82—83D
8¼% Goeteborg 75/85P	107.00	9.11	4.02	7.65	1. 3.81—85D
7% Grand Metrop. Fin. 77/84	100.25	6.98	4.09	6.91	1. 8.81—84S
7¼% Guardian Inv. 73/83P	101.00	7.18	0.09	18.60	clld.p. 1. 2.79(102)
8% Guest-Keen-Nettl. 76/83	106.60	7.50	4.34	6.20	2. 5.83
6¾% Hamersley Iron 72/87	100.75	6.70	4.30	6.53	1. 7.78—87S
[illegible] Hazama-Gumi 76/81P	104.00	7.69	2.42	6.15	1. 6.81
7% Helsinki 68/83	101.80	6.88	2.44	6.29	1. 7.72—83S
7% Hitachi Cable 77/82P	101.25	6.91	3.01	6.53	1. 1.82
8¼% Hitachi Shipbldg. 76/81	101.50	8.13	0.17	5.04	clld.p. 1. 3.79(101)
5¾% Hitachi Shipbldg. 78/83	101.50	5.67	4.96	5.40	10.12.83
8½% Hoogovens 70/85	104.00	8.17	3.28	7.24	1. 6.76—85D
8¾% IAKW, Vienna 75/86 (G)	106.50	8.22	3.74	6.71	1. 5.80—85D
7¼% Iceland 69/84	102.00	7.11	2.75	6.54	1. 5.75—84S
7¾% Iceland 77/87	104.75	7.40	5.03	6.60	1. 4.80—87S
6½% I C I Int'l. 72/92	101.50	6.40	6.96	6.22	1. 3.78—92S
8½% I C I Int'l. 75/82	104.75	8.11	3.59	6.94	1. 8.82
7½% I C I Int'l. 76/86	106.25	7.06	6.90	6.36	1.12.84—86D
6¾% I C I Int'l. 77/87	105.75	6.38	6.80	5.70	1. 5.84—87D
8% ICIPU 71/81 (G)	104.25	7.67	5.09	7.26	1. 1.77—81D
8% Imatran Voima 71/86 (G)	104.00	7.69	3.77	6.89	1. 4.77—86S
8% Imatran Voima 72/87 (G)	103.25	7.75	4.32	7.24	1. 1.78—87S
7% Indonesia 78/84	97.87	7.15	5.76	7.46	1.10.84
7¾% Ind. Dev. C. South-Afr. 76/82P (G)	99.50	7.79	3.34	7.90	1. 5.82
8% Ind. Dev. C. South-Afr. 76/83P (G)	100.00	8.00	4.51	7.98	1. 7.83
6½% Industr. Bk. Japan 73/80P	101.50	6.40	1.42	5.35	1. 6.80
6½% Industr. Bk. Japan 73/81P	101.50	6.40	2.34	5.76	1. 5.81
5% Industr. Bk. Japan 78/84	99.75	5.01	5.01	5.06	1. 1.84
7½% Ind. Min. Dev. Iran 73/85	93.75	8.00	6.34	8.81	1. 5.77—85S
7¾% Ind. Min. Dev. Iran 77/87	92.90	8.34	8.51	8.95	1. 7.83—87S
7¼% Ind. Min. Dev. Iran 78/84	98.50	8.19	5.71	9.97	16. 9.84
6¼% Ind. Mtgebk. Finl. 64/79 (G)	100.00	6.25	0.34	6.32	due 2. 5.79
6¾% Ind. Mtgebk. Finl. 68/80 (G)	102.50	6.59	1.33	4.64	1.11.73—80D
8% Ind. Mtgebk. Finl. 71/86 (G)	103.50	7.73	4.24	7.15	1.12.77—86D
7% Ind. Mtgebk. Finl. 72/87 (G)	100.85	6.94	4.28	6.88	1. 7.78—87D
9% Ind. Mtgebk. Finl. 76/84 (G)	102.75	8.76	2.65	7.78	clld.p. 1. 4.79(102,5)
6½% Int. Am. Dev. Bank 64/79	100.00	6.50	0.51	5.43	1. 7.79
[illegible] Int. Am. Dev. Bank 68/83	102.75	6.57	2.45	5.61	1. 7.72—83S
7% Int. Am. Dev. Bank 69/84	102.50	6.83	3.00	6.17	1. 8.75—84S
8½% Int. Am. Dev. Bank 70/85	108.25	7.85	3.96	5.98	1. 8.76—85S
6¾% Int. Am. Dev. Bank 72/87 I	100.50	6.72	4.41	6.60	1. 6.78—87S
[illegible] Int. Am. Dev. Bank 72/87 II	101.50	6.65	4.03	6.37	1.11.78—87S
8% Int. Am. Dev. Bank 76/83P	105.00	7.62	4.13	6.57	16. 2.83
8¼% Int. Am. Dev. Bank 76/83P	106.00	7.78	4.51	6.65	1. 7.83
7% Int. Am. Dev. Bank 77/87	101.80	6.87	5.94	6.60	1. 1.83—87S
6¾% Int. Am. Dev. Bank 78/88	98.65	6.84	8.01	6.48	1. 1.88
6¾% Int'l. Com'l. Bank 73/83	104.25	6.47	2.38	4.80	1. 6.79—83D
[illegible] Ireland 76/81	104.60	7.89	2.01	5.76	1. 1.81
5¾% I R I ex. warr. 64/79 (G)	99.75	5.76	0.50	6.36	30. 6.75—79D
7¾% ISCOR 71/86 (G)	99.85	7.76	7.43	7.83	1. 6.77—86D
7% ISCOR 72/87 (G)	96.85	7.23	4.00	8.09	1. 4.78—87D

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
7% ISCOR 73/88 (G)	95.00	7.37	4.91	6.27	1. 3.78—88D
8½% ISCOR 73/88 (G)	101.90	8.34	6.02	8.01	1.11.78—88D
8¼% ISCOR 77/80 I P (G)	101.25	8.15	1.71	7.41	15. 9.79—80D
8¼% ISCOR 77/80 II P (G)	101.25	8.15	1.46	7.31	16.12.79—80D
7¾% ISCOR 78/82P (G)	100.00	7.75	2.76	7.73	1. 4.81—82D
8¼% ISCOR 78/84P (G)	100.25	8.23	5.80	8.18	16.10.84
6% Japan 64/79	100.00	6.00	0.42	6.08	1. 6.70—79D
7% Japan 68/83	103.50	6.76	2.84	5.63	1. 3.73—83S
7¼% Japan Dev. Bank 76/83 (G)	104.75	6.92	4.28	5.94	1. 4.83
8¼% Japan Synth. Rub. 76/81P	106.00	7.78	2.81	5.59	1. 7.81
8% Johannesburg 71/86 (G)	100.00	8.00	3.97	7.98	1. 9.77—86D
6¼% Johannesburg 72/87 (G)	93.20	6.71	4.41	8.13	1. 9.78—87D
7¾% Johannesburg 76/82P (G)	99.00	7.83	3.34	8.08	30. 4.82
7¼% Jydsk Telefon 69/84	101.50	7.14	3.12	6.82	15. 9.75—84S
6¾% Jydsk Telefon 72/87	100.25	6.73	4.70	6.68	1. 3.78—87S
7¼% Jydsk Telefon 73/88	102.25	7.09	5.07	6.71	1. 2.79—88S
9% Jydsk Telefon 75/82P	107.00	8.41	3.61	6.67	1. 7.82
6¾% Kansai Electric 69/84	101.00	6.68	3.11	6.60	1. 9.75—84S
7¾% Kansai Electric 71/86	103.75	7.47	3.67	6.55	1. 5.77—86S
8¾% Kawasaki Steel 75/82	104.50	8.37	2.40	6.63	1. 6.80—82D
6¾% KELAG 73/88	101.00	6.64	4.68	6.48	1. 5.79—88S
6¾% KHD Finance 72/87	101.20	6.67	4.14	6.39	2. 6.78—87S
7¼% Kjobenhavns H. Bank 76/83P	102.75	7.18	4.92	6.70	1.12.83
7½% Kjobenhavns Tel. 72/87	103.25	7.26	4.53	6.76	2. 1.78—87S
7% Kjobenhavns Tel. 72/87	101.60	6.89	4.13	6.63	1. 5.78—87S
6½% Kjobenhavns Tel. 73/88	99.80	6.51	9.26	6.52	1. 4.79—88S
5% KLM Royal Dutch Airl. 78/85P	97.90	5.11	3.23	6.72	1. 5.79—85D
7% Kobe 68/83 (G)	103.75	6.75	2.37	6.36	1. 6.72—83S
6¾% Kobe 69/84 (G)	103.85	6.50	2.76	6.30	1. 5.73—84S
7¾% Kobe 71/86 (G)	106.00	7.38	4.18	[illegible]	1. 2.77—86S
6¾% Kobe 72/87 (G)	101.50	6.65	4.14	6.31	1. 5.78—87S
8¼% Kobe 75/80P (G)	102.00	8.09	1.42	6.66	1. 6.80
7½% Kobe 76/83 (G)	104.50	7.18	4.42	6.29	1. 6.83
6½% Kobe 77/87 (G)	104.00	6.25	8.42	5.68	1. 6.87
5¾% Kobe 78/86 (G)	100.50	5.72	7.51	[illegible]	1. 7.86
7¾% Kommunl. Inst. 76/83	104.00	7.45	3.24	6.33	1. 4.81—83D
8% Kommunl. Inst. 76/84	103.70	7.71	3.89	6.07	15.10.77—84D
7¼% Korea Dev. Bank 77/84 (G)	100.35	7.22	5.92	7.17	1.12.84
5¼% Kubota Int'l 77/82P	99.60	5.28	3.02	5.25	1.12.81—82D
5¾% Kvaerner Ind. 78/88P	98.25	5.85	7.11	6.05	1. 3.84—88D
8½% Light-Servicos 77/82 (G)	105.85	8.03	3.17	6.39	1. 3.82
6¾% Light-Servicos 78/86 (G)	97.25	6.94	7.34	7.24	1. 5.86
10% Lonza Int'l. 74/79P	104.00	9.62	0.84	4.97	1.11.79
8¼% Lonza Int'l. 75/80P	103.00	8.01	1.38	5.88	15. 5.80
7% Malaysia 72/84	99.75	7.02	2.82	7.08	1. 6.75—84D
6½% Malaysia 77/85	98.00	6.63	5.67	6.87	1. 9.85
9¼% Malmoe 75/84	106.75	8.67	3.55	7.03	1. 2.81—84D
8¼% Malmoe 76/83	105.00	7.86	2.64	6.12	1. 3.80—83D
6½% Manitoba 77/84	104.00	8.25	5.51	5.03	1. 7.84
6¾% Manit. Hydro El. 72/87	103.00	6.55	4.43	5.95	1. 6.78—87S
6¼% Megal Fin. Comp. 78/90	97.50	6.41	11.01	6.58	2. 1.85—90S
7% M E P C 73/88	100.00	7.00	4.56	6.99	1. 5.79—88D
7% Mexico 68/80	104.00	6.73	0.92	2.58	1. 6.71—80S
7% Mexico 68/84	102.50	6.83	2.95	6.15	2. 1.73—84S
7¼% Mexico 73/88	100.00	7.04	4.25	6.42	1. 1.79—88S
9% Mexico 75/82	107.25	8.39	3.51	6.59	1. 7.82
8% Mexico 76/83	109.00	7.34	4.42	5.63	1. 6.83
7¾% Mexico 77/84	105.25	7.36	5.42	6.55	1. 6.84
6% Mexico 78/85	98.25	6.11	6.25	6.34	1. 4.85
7¾% Mitsubishi Gas 76/81P	102.00	7.60	2.42	6.80	1. 6.81
5¾% Mitsubishi Petro 78/83	101.50	5.67	4.67	5.37	1. 9.83
7¾% Mitsui Toatsu 76/81P	102.00	7.60	2.71	6.89	15. 9.81
9% MODO 75/83	104.00	8.65	2.68	7.38	1. 6.80—83D
7% Montreal 69/89	101.25	6.91	5.49	6.71	1. 4.70—89D
6% Montreal 72/92	97.90	6.13	6.67	6.30	1. 9.73—92D
6¾% Montreal 73/93	100.00	6.75	14.42	6.74	1. 6.74—93S
8½% Montreal 76/86	107.75	7.89	3.65	6.16	1. 7.77—86S
7% Montreal 77/87	101.75	6.88	4.34	6.51	16. 7.78—87S
7½% Mortg. Denmark 69/84 (G)	103.25	7.26	3.25	6.47	1.11.75—84S
7¾% Mortg. Denmark 71/86 (G)	103.00	7.52	3.50	6.88	1. 3.77—86D
7% Mortg. Denmark 73/88 (G)	101.15	6.92	4.74	6.69	1. 7.79—88S
6¾% Mortg. Bk. Finl. 69/84 (G)	100.50	6.72	2.86	6.64	1. 4.73—84S
7¼% Nafi. Mexico 69/79 (G)	100.05	7.25	0.42	7.23	1. 6.72—79S
8¾% Nafi. Mexico 76/83P (G)	105.50	8.29	4.92	7.37	1.12.83
7% Nafi. Mexico 77/82P (G)	99.50	7.04	3.67	7.14	1. 9.82
8¾% Nafi. Mexico 77/84 (G)	105.50	8.29	5.17	7.42	1. 3.84
8¾% Nafi. Mexico 77/84P (G)	105.50	8.29	5.17	7.42	1. 3.84
8¼% Nat. Bk. Hungary 75/81	104.60	7.69	2.51	6.18	1. 7.81
6½% Nat. Bk. Hungary 77/85	97.20	6.69	6.84	7.02	1.11.85
6½% National Lead 67/79	100.00	6.50	0.42	6.38	1. 6.72—79S
8% Nat'l. Westm. Bk. 73/88	104.50	7.66	4.98	6.69	1.10.79—88S
6¾% New Brunswick 72/87	101.00	6.68	4.00	6.49	1.11.78—87S
7¼% Newfoundland 69/84	102.75	7.06	3.00	6.32	1. 8.75—84S
8% Newfoundland 71/86	104.50	7.66	3.82	6.64	1. 8.77—86S
6¾% Newfoundland 72/87	101.40	6.66	4.63	6.38	1.11.78—87S
6½% Newfoundland 73/88	99.70	6.52	9.26	6.54	1. 4.81—88S
6¾% New Zealand 69/84	102.75	6.57	3.03	5.83	1. 2.75—84D
7½% New Zealand 71/86	104.35	7.19	3.68	6.25	1. 5.77—86D
7% New Zealand 72/87	102.50	6.83	4.43	6.33	1. 2.78—87D
9½% New Zealand 75/80P	104.50	9.09	1.09	5.13	1. 2.80
9¼% New Zealand 75/80P	104.25	8.87	1.09	5.12	1. 2.80
8¼% New Zealand 75/80P	103.50	7.97	1.51	5.72	1. 7.80
9¾% New Zealand 75/82	106.00	9.20	3.01	7.45	1. 1.82
7½% New Zealand 76/83	105.75	7.09	4.17	5.90	1. 3.83
7¾% New Zealand 76/86	107.00	7.24	5.78	6.26	1.11.82—86D
6¼% New Zealand 77/84	102.40	6.10	5.34	5.71	1. 5.84
5¼% New Zealand 78/86	95.90	5.47	7.17	6.07	1. 3.86
6¼% New Zealand 79/87	99.00	6.31	8.01	6.41	1. 1.87
9% Nippon Kokan 76/82	102.25	8.80	0.25	3.77	1. 4.80—82D
5¾% Nippon Steel 78/85	102.75	5.60	6.87	5.25	1. 9.85
8¾% Nippon T + T 75/82 (G)	104.75	8.35	3.17	7.01	1. 3.82
8¼% Nippon T + T 75/82 (G)	103.75	7.95	3.42	6.96	1. 6.82
7¾% Nippon T + T 76/83 (G)	104.50	7.42	4.78	6.61	1.10.83
5¾% Norcem 78/85	97.50	5.90	6.17	6.25	1. 3.85

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D = mandatory drawing by lot at par S = sinking fund
5¼% Nord. LB Int'l. 78/84P	99.75	5.01	5.09	5.06	1. 2.84
8½% Norges Komm. Bank 70/85 (G)	104.00	8.17	3.61	7.35	1.10.76—85S
8% Norges Komm. Bank 75/80 (G)	104.50	7.66	1.42	4.63	1. 6.80
8% Norges Komm. Bank 75/80P (G)	103.50	7.73	1.51	5.45	1. 7.80
7% Norges Komm. Bank 76/81 (G)	103.50	6.76	2.34	5.25	1. 5.81
7% Norges Komm. Bank 77/89 (G)	102.25	6.85	5.85	6.52	1. 4.80—89S
6% Norges Komm. Bank 77/89 I (G)	98.00	6.12	10.80	6.26	16.10.80—89S
6% Norges Komm. Bank 77/89 II (G)	99.50	6.03	10.82	6.08	1.12.80—89S
6% Norges Komm. Bank 78/90 (G)	97.70	6.14	11.59	6.28	1. 6.81—90S
8½% Norpipe 76/84	103.25	8.08	3.43	6.73	1. 2.80—84S
8% Norpipe 76/88	105.25	7.60	6.82	6.99	1. 6.83—88S
6% Norpipe 77/89	99.00	6.06	10.64	6.13	1.11.84—89D
7¼% Norsea Gas 76/88	104.00	6.97	7.33	6.54	1.12.83—88S
7% Norsea Gas 77/89	102.50	6.83	8.62	6.60	1. 7.84—89S
9% Norsk Hydro 75/87	109.50	8.22	4.51	6.49	1. 3.80—87D
8% Norsk Hydro 76/88	107.00	7.48	6.68	6.66	1. 4.83—88S
6¾% Norsk Hydro 77/89	103.75	6.51	7.21	6.08	1. 6.82—89S
8¼% Norway 75/80	105.60	7.82	1.34	3.93	1. 5.80
8¼% Norway 75/80P	104.00	7.93	1.42	5.22	1. 6.80
7¾% Norway 75/80	105.50	7.35	1.82	4.68	1.12.80
7% Norway 76/81	103.90	6.74	2.34	5.17	1. 5.81
7½% Norway 76/81	106.00	7.08	2.51	4.88	1. 7.81
6½% Norway 77/82	103.60	6.27	3.01	5.18	1. 1.82
6¼% Norway 77/82	103.00	6.07	3.26	5.21	1. 4.82
5¾% Norway 77/82	102.25	5.62	3.59	5.04	1. 8.82
4¾% Norway 78/83	98.50	4.82	4.00	5.17	1. 1.83
4¼% Norway 78/83	97.50	4.25	4.49	5.04	1. 4.83
7¼% Norway Mortgage 77/87	105.00	6.90	6.32	6.26	16. 5.83—87D
6% Norway Mortgage 77/89	98.25	6.11	7.22	6.21	16.11.82—89D
7¾% Nova Scotia 71/86	108.00	7.18	4.28	5.70	1.12.77—86D
7% Nova Scotia Power 72/87	102.35	6.84	4.91	6.42	1.12.78—87S
6¾% Occident. Int. Fin. 78/90	97.85	6.90	11.92	7.02	1.12.85—90S
6½% Occident. Overs. 68/83	103.10	6.30	2.70	5.32	1.10.72—83S
6¾% Oester. Bundes-Sch. 68/80P	102.00	6.62	0.92	4.54	1. 6.80
6% Oester. Donaukr. 59/84 (G)	100.50	5.97	3.03	5.90	1. 2.65—84D
6¾% Oester. Donaukr. 73/88 (G)	102.00	6.62	5.17	6.28	1. 3.79—88S
8½% Oester. Draukr. 75/85 (G)	106.75	8.05	4.11	6.26	1. 3.81—85D
7% Oest. El. Wirtsch. 67/87 (G)	104.75	6.68	4.44	5.85	1. 2.73—87D
7% Oest. El. Wirtsch. 76/83P (G)	104.00	6.73	4.95	6.04	16.12.83
5½% Oest. Ind. Verwaltung 78/85P (G)	98.50	5.58	5.60	5.77	1. 7.85
10¼% Oest. Inv. Kredit. 74/79P	104.25	9.83	0.80	4.65	16.10.79
9½% Oest. Kontrollbank 74/79 I P (G)	103.00	9.22	0.42	2.22	1. 6.79
9½% Oest. Kontrollbank 74/79 II P (G)	103.00	9.22	0.51	3.34	1. 7.79
7% Oest. Kontrollbank 76/83P (G)	103.00	6.80	4.92	6.27	1.12.83
6¾% Oest. Kontrollbank 77/84P (G)	102.50	6.59	5.09	6.10	1. 2.84
6½% Oest. Kontrollbank 77/84P (G)	100.75	6.45	5.51	6.32	1. 7.84
6¼% Oest. Kontrollbank 77/84P (G)	100.00	6.25	5.59	6.24	1. 8.84
6% Oest. Kontrollbank 77/85P (G)	100.50	5.97	6.04	5.90	1.11.85
5¾% Oest. Kontrollbank 78/84P (G)	100.50	5.72	5.59	5.64	1. 8.84
6½% Oest. Kontrollbank 78/88 (G)	101.95	6.38	9.96	6.33	16.12.88
5½% Oest. Länderbank 77/82	101.75	5.41	3.92	4.99	1.12.82
6¼% O K O 64/79 (G)	100.00	6.25	0.84	6.33	1.11.70—79D
6½% Ontario 69/84	102.50	6.34	3.03	5.67	1. 2.75—84D
6% Ontario 72/87	102.25	5.87	5.03	5.47	1. 9.80—87D
7% Ontario Hydro 69/84	102.50	6.83	3.00	6.17	1. 8.75—84D
7½% Ontario Hydro 71/86	103.00	7.28	4.25	6.66	1.12.77—86D
6½% Ontario Hydro 72/87	102.50	6.34	4.77	5.87	1. 6.80—87D
6½% Ontario Hydro 73/88	101.20	6.43	5.51	6.23	1. 3.81—88D
6¼% Osaka 65/80 (G)	101.50	6.16	1.09	4.87	1. 2.71—80D
6% Oslo 64/79	101.00	5.94	0.26	2.05	due 1. 4.79
6¾% Oslo 65/80	100.25	6.74	1.17	6.60	1. 3.71—80D
7% Oslo 67/79	100.00	7.00	0.17	6.80	due 1. 3.79
7½% Oslo 69/84	104.25	7.19	3.25	6.13	1.11.75—84D
7½% Oslo 71/87	103.25	7.26	4.53	6.78	2. 1.78—87S
6¾% Oslo 73/90	101.25	6.67	5.83	6.47	1. 7.76—90S
9% Oslo 75/87	106.00	8.49	4.68	7.42	1. 3.78—87S
6¾% Papua 73/88	103.25	6.54	5.22	6.00	1. 7.79—88S
6¾% Parker-Hannifin 77/87P	101.00	6.68	6.36	6.54	1. 6.83—87D
8½% Pemex 76/83	106.50	8.06	4.92	6.66	1.12.83
7% Pemex 77/84	103.25	6.78	5.67	6.39	1. 9.84
7% Pemex 78/86	101.00	6.93	7.01	6.82	1. 1.86
7% Petrobras 77/84	100.50	6.97	5.76	6.88	1.10.84
7% Petrobras 78/88	99.00	7.07	7.69	7.17	1.10.84—88D
7¼% Philippine 77/84	99.00	7.32	5.84	7.46	1.11.84
6¾% Philippine 78/85	95.87	7.04	6.25	7.59	1. 4.85
8¾% Philips 75/81P	105.00	8.33	2.28	6.28	1. 4.81
8½% Philips 75/81P	104.50	8.13	2.29	6.31	15. 4.81
8¾% Philips 76/82	106.50	8.22	3.21	6.43	15. 3.82
5¾% PK-Banken 78/88	94.15	6.11	7.27	6.79	1. 5.84—88D
9¼% Platm. Malmoe 75/80P	104.00	8.89	1.34	6.00	1. 5.80
7¼% Privatbk. Copenh. 77/83P	102.50	7.07	4.26	6.55	1. 4.83
6¼% Pyhrn Autobahn 77/89 (G)	98.00	6.38	8.08	6.57	1. 9.84—89D
6½% Quebec 72/87	100.00	6.50	4.30	6.49	1. 7.78—87D
7½% Quebec 77/87	103.75	7.23	6.09	6.88	1. 2.87
7¼% Quebec 77/87	102.26	7.09	8.43	6.88	1. 6.87
6% Quebec 78/90	95.50	6.28	8.74	6.69	1. 5.85—90D
6¾% Quebec Hydro El 69/84	102.75	6.57	3.03	5.83	1. 2.75—84S
7¼% Quebec Hydro El 69/84	102.75	7.06	3.08	6.35	1. 8.75—84D
8% Quebec Hydro El 71/86	107.00	7.48	4.02	6.10	1. 9.77—86D
6½% Quebec Hydro El 72/87	100.50	6.47	4.05	6.35	1. 4.78—87D
6½% Quebec Hydro El 73/88	100.75	6.45	4.97	6.31	1. 3.79—88D
6½% Quebec Hydro El 77/87	101.00	6.44	8.03	6.34	16. 8.87
6¼% Quebec Hydro El 77/87	100.10	6.24	8.92	6.23	1.12.87
8½% Queensland Alu 70/85	104.50	8.13	3.70	7.22	1.11.76—85S
5¾% Rautaruukki 78/88 (G)	94.70	6.07	7.19	6.70	1. 4.84—88D
7¼% Reed Paper 73/88	102.00	7.11	4.79	6.75	1. 1.79—88S
8½% Renfe 76/82 (G)	105.75	8.04	3.51	6.59	1. 7.82
8% Renfe 77/84 (G)	105.50	7.58	5.26	6.71	1. 4.84
5¼% Ricoh Comp. 78/83P	101.25	5.19	4.59	4.93	1. 8.83
7¾% SAAB 71/86	103.50	7.49	3.94	6.83	6.77—86S
10¼% SAFE 74/79P	104.00	9.86	0.84	5.21	1.11.79
7½% Saga Petrokjemi 77/87P	102.00	7.35	5.44	7.08	1. 7.83—87S
7½% Sandvik 72/87	103.00	7.28	4.42	6.99	1. 2.78—87D
9¼% Sandvik 76/83	110.50	8.37	4.09	6.26	1. 2.83
7% Sanko Steamship 77/84	103.25	6.78	5.09	6.23	1. 2.84
9% S.A.P.L. 76/80P (G)	105.50	8.53	1.17	4.08	1. 3.80
6½% Shell Int'l. 72/87	103.50	6.28	4.08	5.61	1. 4.78—87S
6¾% Shell Int'l. 77/89	107.25	6.29	8.03	5.80	1. 2.85—89D
8¼% Ship. Co. New Zeal. 75/80P (G)	103.75	7.95	1.43	5.41	3. 6.80
8½% Ship. Co. New Zeal. 76/82 I P (G)	103.00	8.25	3.40	7.44	22. 5.82
8½% Ship. Co. New Zeal. 76/82 II P (G)	103.00	8.25	3.41	7.45	27. 5.82
7% Siemens Europe 66/81	105.00	6.67	1.83	4.09	1.11.70—81S
7% Singapore 72/82	102.75	6.81	1.87	5.59	1. 7.78—82S
6½% Singapore 77/83	100.00	6.50	4.34	6.49	1. 8.83
8¾% Singapore Airl. 76/83 (G)	102.50	8.54	2.02	7.36	clld.p. 1. 2.79 (102)
8½% Sira Kvina 70/85	104.50	8.13	3.29	7.06	1. 8.76—85D
8½% S.N.C.F. 68/83 (G)	103.50	8.28	2.71	5.07	1.10.72—83S
7½% Soc. Dev. Reg. 76/86 (G)	104.00	7.21	4.49	6.43	1. 4.80—86D
6¼% Soc. Dev. Reg. 77/82P (G)	97.00	6.44	9.20	6.70	16.12.83—92D
9% Soc. Mar. Fina 75/83P	104.50	8.61	2.53	6.97	1. 5.78—83D
6¾% South-Africa 69/84	99.50	6.78	5.26	6.88	1. 4.73—84S
8½% South-Africa 70/85	104.10	8.17	3.70	7.34	1.11.76—85S
7¾% South-Africa 71/86	100.35	7.72	4.33	7.80	1.11.77—86S
7% South-Africa 72/87	98.15	7.13	8.04	7.29	1.11.78—87S
8% South-Afr. Broadc. 76/81P (G)	100.50	7.96	2.17	7.72	1. 3.81
7¼% South-Afr. Oil Fund 78/81 IP (G)	98.75	7.34	2.84	7.74	1.11.81
7¼% South-Afr. Oil Fund 78/81 IIP (G)	100.00	7.25	2.88	7.24	16.11.81
7¾% South-Afr. Oil Fund 78/82 IP (G)	99.50	7.79	3.59	7.89	1. 8.82
7¾% South-Afr. Oil Fund 78/82 IIP (G)	99.50	7.79	3.71	7.89	16. 9.82
7½% South-Afr. Railway 73/88 (G)	99.35	7.58	5.42	7.60	1. 6.79—88S
8¼% South-Afr. Railway 76/80P (G)	102.00	8.07	0.91	6.83	1. 8.78—80D
8¾% South-Afr. Railway 75/80 (G)	104.00	8.89	1.51	6.53	1. 7.80
8¼% South-Afr. Railway 77/80P (G)	100.50	8.21	1.53	7.85	1. 8.79—80D
8% South-Afr. Railway 78/83P (G)	101.00	7.92	2.01	7.45	2. 1.81
7¾% South-Afr. Railway 78/82P (G)	98.00	7.02	3.34	8.06	1. 6.82
8% South-Afr. Railway 78/83 IP (G)	101.00	7.92	4.51	7.71	1. 7.83
8% South-Afr. Railway 78/83 IIP (G)	101.00	7.92	4.67	7.72	1. 9.83
7¾% South-Afr. Railway 78/83P (G)	99.00	7.83	4.82	8.00	1.12.83
7% South Scotl. El. 73/88 (G)	101.50	6.90	4.88	6.63	1. 2.79—88S
6¾% Spain 77/84	101.00	6.68	5.58	6.52	1. 8.84
6% Spain 78/88	94.75	6.33	9.34	6.77	1. 5.88
6% Sparbank Oslo 78/90P	95.75	6.27	6.61	6.81	16. 5.81—90D
7¾% Standard Imp & Exp 78/82P	99.60	7.78	3.59	7.89	1. 8.82
6½% Stand. Chart. Bank 78/88	100.00	6.50	9.01	6.50	1. 1.88
6% Statoil 73/88 (G)	98.45	6.09	9.67	6.21	1. 9.84—88S
7% Statfoeretag 77/86	104.20	5.72	4.64	5.93	1. 3.82—85D
10% Steiermark 74/80P	107.50	9.30	1.76	5.38	1.10.80
8¼% Stockholm City 75/83	101.95	8.50	0.29	5.96	clld.p. 15. 4.79(102)
8¾% Stockholm County 76/87	105.75	8.27	4.03	7.04	1. 4.79—87D
7¼% Studeb. Worth. 69/79	100.50	7.21	0.59	6.46	1. 8.79
6½% Sumitomo Metal 75/82	103.50	[illegible]	3.51	7.31	1. 7.82
7½% Sun Oil Int. Fin. 73/88	102.50	7.32	4.82	6.86	1. 8.79—88S
7¼% Svenska Cell 73/88	101.50	7.14	5.06	6.88	1. 2.79—88S
9% Svenska Taendst. 75/85	106.75	[illegible]	3.57	7.11	1. 3.80—85S
6¾% Sveriges Inv. Bk. 72/87	101.00	6.68	3.96	6.45	1. 3.78—87S
7% Sveriges Inv. Bk. 73/88	101.50	6.90	4.41	6.59	1. 3.79—88S
8½% Sveriges Inv. Bk. 75/83	103.35	8.22	2.88	7.14	1. 6.80—83S
6½% Sweden 77/84	103.75	6.27	5.34	5.60	1. 5.84
6% Sweden 77/89	98.50	6.09	10.92	6.19	1.12.83—89S
9½% Taisei Corp. 75/80P	104.00	9.13	1.21	5.95	16. 3.80
10% Tauernautobahn 74/79P (G)	103.75	9.64	0.76	4.77	1.10.79
9½% Tauernautobahn 74/81 (G)	108.50	8.76	2.61	5.73	1. 7.81
9% Tauernautobahn 75/82P (G)	109.00	8.26	3.17	5.80	1. 3.82
9% Tauernautobahn 75/83P (G)	109.00	8.26	4.17	6.46	1. 3.83
5½% Tauernautobahn 78/93 (G)	95.00	5.79	14.28	6.03	1. 4.84—93S
7% Tauernkraftwerke 68/83 (G)	102.75	6.81	2.55	5.91	1. 2.74—83D
6½% Tauernkraftwerke 68/83 (G)	102.50	6.34	2.62	5.53	1. 9.74—83S
8% Tenpfinco 73/93	108.40	7.38	8.95	6.72	1.11.82—93S
9½% Tenpfinco 75/82P	106.00	8.96	3.17	7.30	1. 3.82
6¾% Thailand 78/83P	97.75	6.79	4.26	6.87	1. 4.83
8½% Thyssen Car. Fin. 75/82P	109.00	7.80	3.26	5.40	1. 4.82
8¼% Thyssen Car. Fin. 75/82P	108.00	7.64	3.51	5.65	1. 7.82
6½% Thyssen Inv. 66/81	102.50	6.34	1.67	4.89	1. 3.72—81D
7¼% Tokyo El. Power 69/84	103.50	7.00	3.34	5.16	1.12.75—84D
9½% Toray Ind. 75/80P	104.00	9.13	1.11	5.67	10. 2.80
5½% Toyo Rubber 78/83P	100.25	5.49	4.76	5.43	1.10.83
6½% Traf. House Fin. 72/87	100.00	6.50	8.76	5.49	1.10.78—87S
6% Trinidad & Tobago 78/83	94.25	6.37	4.26	7.62	1. 4.83
6¾% Trondheim 68/83	101.00	6.68	2.98	6.45	1.12.72—83S
5¾% Trondheim 78/88	94.75	6.07	8.23	6.59	1. 4.88—88D
7½% T R W Int. Fin. 69/84	102.00	7.28	3.16	6.53	1.10.75—84S
6% T V O Power 78/88 (G)	97.00	6.19	9.09	6.44	1. 2.84—88S
5¾% UDS Group 78/83	97.75	5.88	4.67	6.31	1. 9.83
9¾% Unilever 74/81P	110.00	8.86	2.92	5.92	1.12.81
8½% Unilever 75/87	109.00	7.80	5.70	6.54	1. 5.81—87S
6½% Union Bank Finland 78/88	97.50	6.67	9.96	6.85	16.12.84—88S
5¾% Uniroyal 78/84P	99.50	5.78	5.59	5.85	1. 8.84
6¾% Unit. Arab. Emirate 77/82P	100.00	6.75	3.34	6.73	30. 4.82
7% Venezuela 68/83	103.75	6.79	2.70	5.56	1.10.74—83S
6% Venezuela 78/88	93.87	6.39	9.17	6.92	1. 3.84—88S
6½% Venezuela 78/90	95.00	6.84	11.84	7.14	1.11.85—90S
7% Vienna 68/83	103.00	6.80	2.37	5.70	1. 6.74—83S
8¼% Vienna 75/84	105.00	7.86	3.00	6.34	1. 8.79—84D
5¾% Vienna 77/84P	99.30	5.78	5.96	5.65	15.12.84
8½% Voest-Alpine 73/88	106.00	8.02	5.43	7.12	1.10.79—88S
8½% Voest-Alpine 75/85	106.75	7.96	4.36	6.65	1. 6.81—85D
6¾% Voest-Alpine 77/89	101.65	6.64	7.83	6.47	1. 6.84—89D
6½% Wells-Fargo ex W. 73/88	101.00	6.44	5.09	6.26	1.11.79—88S

WestLB SD Certificates (Schuldschein-Index)

4 years maturity: 6.20% **5 years maturity: 6.50%**

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
5½% Worldbank 65/85	100.25	5.49	3.02	5.48	1. 4.71—85D
6½% Worldbank 68/80	102.05	6.22	1.59	4.71	1. 8.80
6½% Worldbank 68/84P	101.00	6.44	2.95	6.12	2. 1.77—84D
6½% Worldbank 69/84	102.30	6.35	2.84	5.69	1. 6.75—84D
6½% Worldbank 69/84P	101.00	6.44	2.95	6.12	2. 1.77—84D
6% Worldbank 69/84P	100.50	5.97	2.67	5.78	1. 4.77—84D
8½% Worldbank 70/80	105.25	8.08	1.59	5.08	1. 8.80
6% Worldbank 70/88	105.50	7.88	3.88	6.38	1. 1.77—86D
7½% Worldbank 71/86 I	103.75	7.23	3.78	6.33	1. 6.77—86D
7½% Worldbank 71/86 II	103.75	7.23	4.26	6.46	1.12.77—86D
6½% Worldbank 72/82	104.20	6.24	3.51	5.15	1. 7.82
6¾% Worldbank 72/87	102.30	6.60	4.52	6.14	1. 3.78—87D
6¾% Worldbank 73/83	104.00	6.49	4.09	5.62	1. 2.83
6⅜% Worldbank 73/88	100.25	6.36	4.59	6.30	1. 5.79—88D
8¼% Worldbank 75/82P	107.50	7.67	5.42	5.75	1. 6.82
8% Worldbank 75/82	108.40	7.38	3.02	5.55	1.12.82
8¼% Worldbank 75/83	109.00	7.64	4.51	6.15	1. 7.83
8% Worldbank 76/82P	106.50	7.51	3.88	5.82	1. 8.82
7¾% Worldbank 76/82P	105.75	7.33	3.76	5.98	1.10.82
7½% Worldbank 76/83	106.50	7.04	4.34	5.75	1. 5.83
7¾% Worldbank 76/83	107.60	7.20	4.76	5.86	1.10.83
6¾% Worldbank 76/83P	103.00	6.55	4.92	6.02	1.12.83
8% Worldbank 76/84	107.75	7.42	5.09	6.17	1. 2.84
5½% Worldbank 77/82P	100.00	5.50	3.71	5.49	15. 9.82
7% Worldbank 77/85P	103.50	6.76	6.17	6.29	1. 3.85
6½% Worldbank 77/85P	101.75	6.39	6.34	6.15	1. 5.85
6% Worldbank 77/85	101.90	5.89	6.71	5.65	15. 9.85
7% Worldbank 77/87	104.00	6.73	8.01	6.35	1. 1.87
6½% Worldbank 77/87	100.50	6.47	8.34	6.41	1. 5.87
5¾% Worldbank 78/84	100.75	5.71	5.59	5.58	1. 8.84
6% Worldbank 78/88	97.25	6.17	9.59	6.39	1. 8.88
6¼% Worldbank 78/88	98.07	6.37	9.92	6.52	1.12.88
5¾% Worldbank 78/90	93.05	6.18	9.55	6.76	1. 2.87—90D
6¾% Yokohama 68/83 (G)	103.50	6.52	2.62	5.37	1. 9.72—83S
7% Yokohama 69/84 (G)	104.00	6.73	3.17	5.68	30. 9.73—84S
8% Yokohama 71/86 (G)	104.50	7.66	4.11	6.69	1. 8.77—86S
8¾% Yoshida Kokyo 75/80P	104.00	8.41	1.51	5.85	1. 7.80
8% Yugosl. Inv. Bank 77/84P	100.50	7.96	3.35	7.82	15.12.79—84S

WestLB QUOTATIONS AND YIELDS

" Life " and " Maturity " appear in years and decimals of years and are—in this context—calculated as follows:
—to final maturity in case of a lump-sum repayment
—to final maturity in case of a sinking fund issue, whenever the quoted price is below 100
—to average life in case of a sinking fund issue, whenever the quoted price is above 100
—to average life in case the bond issue provides for mandatory drawings by lot at par only
P Private Placement (the smallest denomination may be larger than the usual DM 1,000 of public issue)
G Government Guarantee

The Scottish thorn in Singer's side

BY LISA WOOD

THE LATE Mahatma Gandhi learned to sew on a Singer sewing machine and when he was in jail he exempted the sewing machine from his ban on Western machinery—"It is," he said, "one of the few useful things ever invented."

But now Singer of the U.S., for more than a century the leading developer of the sewing machine, is facing the culmination of problems which became apparent in 1975. The most acute of these has manifested itself at Clydebank, its 128 year-old enterprise in Scotland, which is the company's main manufacturing base for its overseas markets.

This morning the parent company is expected to make an important statement about the future of the Clydebank plant, which, with a history of poor labour relations and low productivity, has seen the development in the last six months of a deadlock between management and the workers about rationalisation plans.

In December Singer threatened to close the plant after workers rejected proposals which had been revised by the company in the light of a union-commissioned consultants' report.

During the last 25 years there have been progressive cuts in the labour force at Clydebank which in 1954 employed 14,000 people and in 1964, in spite of cuts, and still Scotland's single largest employer of labour.

In June 1978 Clydebank employed 4,800 workers. It was, and still is, Singer's largest and oldest overseas manufacturing plant with its production critical to the company's world strategy. *About fourth-fifths of* its annual output is exported, with about 40 per cent of exports serving the U.S. market, in spite of strong Japanese and, more recently, Taiwanese competition.

According to Singer, the landed cost in the U.S. of a *domestic Clydebank* machine is at least 20 per cent higher than that of a Japanese competitor. The plant is accommodated in an old building which at present does every process in sewing machine production, from metal *casting to painting.*

Last June Mr. Joe Flavin, chairman and chief executive of the U.S. multinational, announced that 2,800 of the *4,800 jobs at Clydebank were to be cut as part of a four-year plan to restructure the operation.*

At his meeting with the Clydebank workers, who are represented by 14 unions, one of which has two members, he spared few punches. The factory has been operating at a deficit for the past three years, with a loss in 1977 of £2.6m. The industrial sewing unit of the plant had not known *a profitable year in the 1970s.*

Blame

While laying some of the blame on his own company's doorstep, Mr. Flavin said the opportunity had existed for a *positively motivated Clydebank* workforce to increase efficiency and resolve union practices that impeded flexibility of the plant's operations.

Mr. Flavin said the facts led to only one conclusion—to phase out industrial sewing machine production from Clydebank by 1981 *and concentrate* production at the Singer plant *in New Jersey in the U.S.* which he said, "was a more efficient location."

Industrial needle production was to be halted in favour of a *greater concentration on household needles.* Clydebank's self-sufficiency was also under attack. Mr. Flavin said it was to be brought into closer contact with the three other Singer factories in Europe. These are Bonnieres, near Paris, Monza, near Milan, and Karlsruhe in West Germany.

Clydebank, according to Mr. Flavin, was to be the main production centre for a new line of four models of high volume lightweight domestic sewing machines at a cost of £8m.

The plan was "the only way to save *Clydebank*" said Mr. Larry Neely, general manager at Clydebank after the announcement. Not so, replied the unions which commissioned in August a £75,000 study, two thirds paid for by the Government's Scottish Development Agency, from PA Management Consultants, to analyse the company's worldwide restructuring and propose an alternative strategy for Clydebank.

The study's proposals, which if implemented, would have saved more than 750 jobs, formed the basis for Singer's revised proposals, given in December, for putting an extra *£2m into* the plant and *saving* some industrial machine *production.* But the plans, which included proposals for a new wage *structure, sub-contracting* of work and extra production were turned down by the workers last month—in spite of shop stewards' and union backing. Singer warned employees, in a circular, that it would close the factory unless the decision was reversed.

Mr. Hugh Swan, convenor at Clydebank said: "As far as the workforce was concerned the conditions were unacceptable. We asked the workforce for an agreement in principle only over negotiating positions for *the next 15 months.*"

So what has happened at Clydebank? Is it an intransigent workforce with a management that has bent over backwards to *keep Clydebank going or is it a* factory, starved of capital invest*ment, which is being abandoned* by a multinational, keen to discard its old and unprofitable businesses?

During the last four years Singer of the U.S. has seen dramatic changes and at present is struggling to introduce a rapid recovery programme. In 1953 sewing machine production *accounted for* 94 per cent of Singer's turnover. Twenty years *later it accounted for* 30 per cent but by 1977 it had risen again to 54 per cent of company sales. This period of diversification, said to be necessary because of *Japanese inroads* into the sewing machine industry, *caused serious financial* problems for the company. It was Mr. Joe Flavin, appointed in the mid 1970s to his present post, who was responsible for *taking Singer out of low return* diversification and back into its *three main areas of business:* sewing, consumer and government products. The last two include furniture, power tools, vacuum cleaners, aerospace and marine systems, electronics and educational products. This *involved a rationalisation of* plants worldwide.

A plant producing industrial sewing machines in West Germany was closed in 1976, with a loss of 600 jobs. The plant was bought by Singer UK for £1.3m and transferred to Clydebank where it contributed *to Clydebank's production and* balance sheet problems.

Among the diversified interests which Singer abandoned was the international *operations of Singer Business* Machines which it sold to Inter*national Computers in 1976* and the U.S. side which it sold to TRW, a U.S. company after a £162m write-off.

A recovery programme began to take effect in 1976 and Singer's debt was reduced by over $120m in 1977 with another $30m scheduled to be paid off in 1978. This will leave *debts of about $482m, excluding* the debt for its consolidated *finance company.*

But, according to Mr. Flavin last year, the foremost of Singer's problems was that while internationally (excluding North America and Europe) the future for sewing machines was bright, the mature U.S. and European sewing markets were suffering from the effects of strenuous competition, high costs and selective consumers.

Sales of Singer UK, went from £38.6m in 1971 to £74.8m in *1977.* Exports in 1977 were £46.3m against £18m in 1971, but after taxes, there was a loss of £1.1m in 1977 and this, says Singer, was "attributable *directly to the losses in the* manufacturing operations (Clydebank) of £2.6m after taxes." Clydebank went from an after-tax profit in 1971 of £0.7m to a loss in 1977 of £2.6m. And it was Clydebank which was partly blamed by Singer for the company's worldwide loss of $3.4m *on industrial machines* in the first six months of 1978.

Low-cost

Total industrial sewing *machine production worldwide* amounted to 400,000 units in 1957, *of which Singer produced* nearly 175,000 or 44 per cent. *In the following 20 years* worldwide production increased to 1.2m units of which Singer contributed a little over 100,000 units—only 10 per cent of the total. Japan now produces nearly 29 times as many industrial sewing machines as Clydebank, and has increased its world market share to 67 per cent through low-cost efficient *production.*

Demand for industrial sewing machines is estimated to increase at a rate of only between 1 and 2 per cent each year for the next *four* years. This would mean an increase of *worldwide industrial machine* sales from the 1.2m units achieved in 1977 to only 1.3m units in 1984.

Japan is the most cost-efficient manufacturer of industrial sewing machines in the world, as well as being the export leader and the main user of industrial machines. The total world market is estimated to be worth more than Yen *100bn ($500m).*

The picture for domestic sewing machine demand is similar. The total market peaked in the early 1970s and since then has remained static or declined. Singer, which has a study group examining how best the company could take an alternative *approach to selling* domestic machines in developing countries, anticipates that at best the European market will remain flat and the U.S. market will continue to decline by 5 per cent a year.

At present Singer's domestic sewing plants are operating at only 61 per cent of capacity and are projected to reach only 54 per cent of capacity in 1982 after major changes to the lines so that they will be more competitive with Japanese machines, Mr. Flavin says that for Singer *increased factory* utilisation must remain the key to future *profitability.*

In 1978 Singer was operating at 34 per cent of capacity worldwide and 35 per cent at Clydebank in industrial sewing *machine manufacturing.* Many of the machines made at Clydebank are stored, not sold, according to Singer.

Singer says it is also suffering in the area of product costs. At Clydebank for example, total costs for the Artisan machine (model 29K), over the *past eight years, increased* by 199 per cent while the UK *retail price index grew by 150* per cent over the same period. Joe Flavin says costs "are higher than Singer's competitors' selling prices." And costs for high volume domestic machines at Clydebank have gone up by an average of 20 per cent a year since 1973.

WHO WAS TO BLAME AT CLYDEBANK?

Last June, MR. JOE FLAVIN, chairman and chief executive of Singer's U.S. multinational, said: "The first and most important *thing we should discuss* is the mistakes that Singer has made in running Clydebank. We've made many, obvious ones include not *giving Clydebank a proper product mission* on a long-term basis, having too many models resulting in a manufacturing proliferation *of product that does not allow for the most efficient manufacturing,* and allowing Clydebank product costs to reach an uncompetitive position. This *situation has been reached through our abdicating our* responsibility as managers to take appropriate action to reduce costs and increase employee efficiency. . . .

"But we have not been alone in contributing to the lack of viability of Clydebank as a long-term manufacturing source. The opportunity existed and continues to exist for a positively motivated workforce to increase efficiency and resolve union practices that impede flexibility of operation—such as the arbitrary seniority definitions, barriers to the transferability of workers between parts of the factory, resistance *to outside sub-contracting,* and an inefficient pay plan that does not produce products at a competitive cost."

Later, MR. HUGH SWAN, *trade union convenor* at Clydebank, said: "The key to Clydebank's problems and survival is investment. *There has been a lack of investment here since the 1960s, after the* boom years of the 1940s and 1950s. Singer diversified then to such an extent that it became clapped out."

The unions at Clydebank have blamed this situation on a lack of capital investment by the *company,* a view which was partly backed by the PA survey. Most of the machines are made in a 70-year-old six storey building and much of the machinery is more than 50 years old.

This, said PA, has lead to several major problems for management and the workforce, including high maintenance *costs, high transportation costs* of moving materials between *floors and high operating costs* because machines are incapable of running at standard *speeds.* The low productivity which resulted, said PA, was aggravated by a payment system which failed sufficiently to motivate the labour force.

The UK company at a time of *deteriorating trading and rising* costs has also become seriously undercapitalised.

At the end of 1977 the total debt of Singer UK (which con*sists of Clydebank, a marketing* division and two very small *manufacturing operations)* was almost as great as shareholders' funds of £16.2m. The financial position would have been worse had it not been for what appears to be a clear decision some years ago to run down the business. Singer UK has been consistently adding less to fixed assets than it has written *off* in the form of depreciation. And in spite of the impact of inflation, it has committed little new cash to working capital. The U.S. parent did not provide any new equity in the period 1973-1977 and in 1975, when the U.S. multinational was in very serious trouble, Singer UK paid out £2.4m in dividends although it only made a net profit of £0.3m.

In late 1976 Singer introduced a new *machine*—the programmable Centurion—on to the market. It has been heralded as "the biggest breakthrough in sewing machines for a decade." Tootal said: "The Centurion is the most advanced machine there is in the industrial market. It can remember up to 30 programmes. But it will not be made at *Clydebank,* it will be *made* in the U.S.

Perhaps the present frustration of Singer is best illustrated by a comment of a Singer executive last week when he said: "There is no plant quite *like Clydebank.* It *has such* an entrenched system. There are more than 40 people, for example, doing nothing all week but count out cash because the workers like their money in envelopes and refuse to open bank accounts. That's not 1979, that is 1884."

Letters to the Editor

Government borrowing

From Mr. R. Nottage

Sir,—Mr. Nicholas Goodison, chairman of the Stock Exchange, defends the institutions' investment policies against the charge that they refuse to buy Government stocks until they have forced up the rates of interest on them, and says that "if the Government did not need to borrow so much then interest rates would be lower" (Jan. 5).

Some of the trouble that the Government creates for itself comes from its extraordinary policy of funding the pension liabilities of the local authorities and nationalised industries. It is well known that pension funds do not greatly *like fixed interest stocks, and much prefer* to acquire assets offering prospects of growth in income and capital value. This preference is illustrated by the investment policies of the nationalised industries' pension funds. Recent reports show their fixed interest investments to be the following proportions of their total assets:

	%
Water	32
Airways	23
Steel	23
Coal	15
Post Office	14
Electricity	13
Rail	5

From the figures in these reports it can be inferred that the pension funds of the major nationalised industries have total assets with a current market value *of some £7bn, of* which about £1bn, i.e. 15 per cent, is in fixed interest stocks, most, but not all, of which are Government stocks.

The funding of public sector pensions swells the public sector borrowing requirement, at least in the present era whatever may be the consequences in the dim and distant future. In its evidence to the Wilson Committee the Treasury estimated *(para. 17) that the extra* cost of funding these pensions *compared with the cost of meeting them by the pay-as-you-go* method is currently running at £1bn a year.

Assuming that local authorities' investment policies do not differ markedly from those in the nationalised industries, the Chancellor of the Exchequer *can be* sure that each year the public sector pension funds will take up only about £150m of the £1bn stock he needs to sell to keep them in the style of life to which they have become accustomed. To encourage them to buy more of his stock and so upset the preferred compositions of their portfolios he must offer them lavish rates of interest.

Moreover, the pension funds will not usually be as anxious to buy their £150m of Government stock as the Chancellor will be to raise the whole of his £1bn—which he must *do in* a matter of months or suffer dire consequences. Thus, in funding public sector pensions, the Chancellor makes himself a weak seller *in a world of strong* buyers of his own creating.

Raymond Nottage,
Reform Club,
Pall Mall, SW1.

A taste of life

From Mr. D. Green

Sir,—*Martin Wright (December 29)* asks that facilities be created to give graduates seeking employment a small taste of the challenge in industry. If he has read David Cooksey's article of the same day, he will know why his request is not likely to be answered.

Any employee of more than six *months' standing* becomes protected by industrial relations legislation. No employee of less than 12 months' standing is likely to have any conception of what a large industrial organisation is about. Nowadays employers employ those whom they are pretty sure can have a long-term future with them: for they know that taking on anyone for less than six months is pointless—and taking them for longer offers a sure route to an expensive ride in the industrial tribunals.

All this of course is a great pity for countless thousands of youngsters — not merely graduates. But we have designed our industrial structure to look after those who have jobs, not those who have not—a circumstance that must have some of the founding fathers of the trade union movement turning in their graves as they contemplate what those who have inherited their mantle have done with it.

David Green,
Rhyd yr Harding, Castle Morris, Nr. Haverfordwest.

Sick pay schemes

From the Managing Director, Kininmonth General

Sir,—The gain for employees under sick pay schemes (Eric Short, January 3) is limited to any tax refunds which might be received because the savings under such a scheme would pass to the employer in the form of reduced premium or cost of operating their own sick pay arrangements.

From the employees point of view where an existing employer funded sick pay scheme is to be replaced by an insured scheme one must not overlook the fact that due to the lower PAYE earnings there may be a loss of earnings related pension benefits as well as future National Insurance sickness benefits. As the major cost of operating a sick pay policy arises in respect of periods of absence of 4 weeks or less there is a *strong* argument from the point of the employee in restricting the benefit under the insured sick pay entitlement to much less *than the 12 months period* indicated. The premium on employees who are treated as higher earners will be taxed as a benefit in kind.

Insured sick pay schemes have been sold for many years to take advantage of the saving in income-tax but since the Social Security Act 1975 and the resultant change in the payment of National Insurance contributions to the PAYE system this has given a further impetus to the financial advantages of an insurance scheme.

There is no difficulty in setting up and administering an insured sick pay scheme for any number of employees. What I believe Eric Short is referring to is probably the special schemes whereby the employer pays the actual cost of operating the sick pay scheme but uses an insured scheme to pay the benefit solely to avoid income-tax and National Insurance contributions. In these cases insurers' administrative costs reduce from about 25 per cent under a conventional scheme to 7½ per cent making the net savings up to nearer 30 per cent rather than the 50 per cent quoted.

The problem of absenteeism is particularly relevant where *schemes have been set up which* fail to take into account adequately the untaxed state sickness benefits and income-tax refunds which may be payable.

Peter J. Dalby,
White Horse Lane,
Canterbury, Kent.

Windsor cordon

From the Chairman, Environment Committee, Berkshire County Council

Sir,—I refer to the letter from Mr. R. K. Turner (January 4) in response to your article "Juggernauts at bay" (December 29). I do not wish to *comment on the merits or otherwise of the Windsor Cordon at present, as detailed evaluation* is still being carried out. It is worth stressing that the scheme is experimental and Berkshire County Council will consider whether to make it permanent when all facts are available for consideration.

The Freight Transport Association has expressed concern regarding the High Court decision which (to quote) "gives total administrative control to local authorities to ban commercial vehicles 'as they see fit' and circumnavigate their rights as road users to object to schemes that deny reasonable access for delivery vehicles" (sic). That is not so: the Heavy Commercial Vehicles (Controls and Regulations) Act 1973 imposed a duty on highway authorities to identify the main lorry movements and those areas suffering environmental damage, and then to formulate proposals to minimise the environmental impact of such *movements.* In responding to the Act Berkshire County *Council carried out an extensive* consultation exercise over two years led by Mr. John Wardle, senior assistant county surveyor, involving the public and other interested bodies and organisations including the FTA. As a direct result of this exercise, modifications were made to the *original proposals,* including a permit system to serve the needs of the vast majority of local deliveries.

It should be stressed that the object of the *experiment is to* prohibit the movement of "through" heavy traffic in excess of 5 tons unladen weight, and due to the success of the *permit system* it is doubtful if local deliveries are more than marginally affected. Thus the accusation that Berkshire has ignored the interests of HCV operators is specious. In addition, it is important to note that the Secretary of State retains powers to quash any restriction made by a highway authority *and therefore such powers are* not, as inferred by Mr. Turner, autonomous.

In deciding to implement the Windsor Cordon experiment, Berkshire County Council fully considered potential disadvantages as well as advantages and acknowledged that considerable extra cost to industry would be incurred.

It must also be acknowledged that in seeking to improve payload by using ever larger vehicles, industry must also face the fact that such vehicles may not be appropriate for use on all roads and therefore *potential financial savings* due to using such vehicles may be less than anticipated. Which roads are or are not suitable for particular vehicles will undoubtedly provide an area of disagreement between interested parties, but I believe the highway authority (subject to the *overriding powers of the Secretary of State*) is better able to deal with this difficult and emotive problem, and to seek a balance between the needs of industry and protection of the environment.

R. J. Simmonds,
Woodlands Farm,
Cookham Dean,
Maidenhead,
Berks.

Cross-Channel links

From the Chairman, European Ferries

Sir,—Sir Bruce White *(January 4)* raises again the possibility of a fixed Channel link. The suggestion which has been raised regularly for the last 200 years is based on the false assumption that existing cross-Channel facilities are inadequate to meet the demand and that a fixed link would provide a better and more economic solution. The facts are as follows:

Channel ferries and hovercraft even in the peak season do not average more than 50 per cent loading. There is, therefore, clearly sufficient capacity to meet the public's demand and furthermore unlike a fixed link the present methods are completely flexible and can be expanded to fit the market.

At the time of the last Channel Tunnel study the final outturn cost of the tunnel was reliably estimated to be £1.5bn. Since those figures were calculated in 1974, however, rates of inflation, construction cost and interest have greatly exceeded predictions then made. If the 1974 proposal had gone ahead the final cost in 1980 would have been more than £2.5bn. Commercially it would have been quite impossible for the tunnel to compete with a capital cost 10 times greater than that of its competitors.

Much of the benefit claimed for the tunnel and the belief that it would scoop the cross-Channel market rests on the claimed time advantage. This does not reconcile with the fact that the hovercraft system, which is faster than the proposed rail system, is still in a minority position on the market.

The advantages of the present system are that it is entirely flexible, can be expanded and altered to meet changing needs, is cheaper, and is environmentally much less damaging than a fixed link since the traffic can be spread to areas as far apart as Southampton and Felixstowe.

Lastly, I follow my invariable practice by declaring my *interest. I am the chairman of* a company which operates cross-Channel ferries and your readers will no doubt take that into account in considering my *comments. How refreshing it* would be if those connected with the construction and civil engineering industry similarly declared their interest when publicly giving support to a fixed link. I have never yet *known one to do so.*

K. D. Wickenden,
4th Floor,
Trafalgar House,
11, Waterloo Place, SW1.

Today's Events

GENERAL

Mrs. Margaret Thatcher, Opposition leader, speaks at Association of British Chambers of Commerce lunch, Savoy Hotel, London, on industry, commerce and pay policy.

British Rail Southern Region train drivers' strike.

National Economic Development Council monthly meeting.

Trades Union Congress economic committee meets, Congress House, London.

Civil Aviation Authority public hearing on applications to develop passenger and cargo services from Stansted Airport, Essex.

General strike called in Nicaragua to protest against regime of President Somoza.

Mr. Warren Christopher, U.S. *Deputy Secretary of State, starts* two-day visit to Turkey to discuss *bilateral issues and emergency* funding.

Italian Government publishes three-year economic plan.

German steelworkers ballot on ending strike action.

Canada and U.S. negotiate on maritime disputes.

Sweden's budget for fiscal 1979 published.

Sotheby's sale of Eastern rugs and carpets.

Group Captain Leonard Cheshire, speaks on the error of pacifism, at St. Lawrence Jewry next Guildhall, 1.15 pm.

Sir Kenneth Cork, Lord Mayor of London, attends Wax Chandlers' Company lunch, Gresham Street.

OFFICIAL STATISTICS

Treasury publishes Central Government financial transactions (including borrowing requirement) for December. Third-quarter figures for gross domestic product; personal income, expenditure and saving.

COMPANY RESULTS

Final dividend: Eurotherm International. McCorquodale and Co. M and G Dual Trust. Westland Aircraft. Interim dividends: Astra Industrial Group. Peter Black Holdings. Hollas Group. H. and R. Johnson-Richards Tiles. Henry Wigfall and Sons.

COMPANY MEETINGS

Duple International, Clifton Arms, Lytham, Lancs., 12. J. H. Fenner, Queen's Hotel, Leeds, 12.30. Stockholders Investment Trust, Winchester House, 100 Old Broad Street, EC, 12.45.

UK COMPANY NEWS

RFD well down at £1m after first six months

ALTHOUGH TURNOVER was *higher at £9.72m against £8.39m*, profits before tax of RFD Group slumped from £1.46m to £1.05m for the half-year to September 30, 1978.

Mr. D. R. B. Mynors, the chairman, warns that although second half results will be better than the first six months, full year profits are expected to be *lower than last time*, when a record £3.45m pre-tax was achieved.

Some parts of the group traded satisfactorily, he says, but sales were well below forecast in its inflatables companies, RFD Systems Engineering and Perseverance Mill.

Its inflatables companies are suffering the full effect of the depression in shipping and shipbuilding: RFD Systems was badly affected by delayed placing of expected contracts by third world countries, and *Perseverance experienced* a sharp fall in sales of industrial fabrics.

The group has also been affected by the low level of demand from the UK Ministry of Defence, while appropriate action has been taken to contain overhead expenditure.

	Half year 1978 £000	*1977 £000
Turnover	9,718	8,390
Trading profit	1,067	1,370
Interest payable	17	†87
Profit before tax	1,050	1,457
UK tax	371	501
Overseas tax	1	6
Minorities	7	—
Exchange loss	27	3
Attributable profit	644	947
Preference dividend	2	2
Ordinary dividend	95	82
Retained	547	863

* Re-stated in accordance with present accounting policies. † Receivable.

The promise of a good start to the year in the form of strong order books carried forward from the previous year was not fulfilled, Mr. Mynors states.

But he adds that in recent weeks, order books in most parts of the group have once more strengthened.

With stated mid-year earnings down from 6.95p to 4.91p per 10p share, the interim dividend is increased to 0.7p (0.6p) net and the Board expects to recommend the maximum increase permitted by present controls—last year's final was 0.9959p.

Half-yearly turnover included "useful" contributions from small acquisitions made last year but these have not yet contributed to group profits after allowance has been made for the *costs of financing acquisition.* They are expected to do so however before long.

Cash balances have been eroded by the shortfall in expected profits and prompter demands for tax payments by the Inland Revenue.

● comment

With a 28 per cent drop in first-half profits, RFD Group is heading for its first profit downturn since the rather traumatic loss recorded in 1973-74. The size of the shortfall is difficult to determine as there is a possibility that potential orders for military software will be turned into definite *sales before the end of the* second half. These could narrow the gap considerably. The slow*ness of the formal* placing of the orders is one of the factors restricting first-half figures. Webbing equipment and protective clothing sales have been good but the downturn in demand for specialist textiles, which became apparent at the beginning of 1978, continued into the latest first half. The inflatable products division's turnover is up but it is boosted by the inclusion of some acquisitions. Stripping out *the new subsidiaries there is just* a marginal improvement in sales value. Profits are slightly ahead but margins are being hit by the current recession in the shipping industry, a major market for inflatable equipment. The shares closed 2p down at 58p giving a prospective yield of 4.6 per cent.

HIGHLIGHTS

Haslemere Estates breaks the ice on this year's round of rights issues with a £11.7m cash call backed up with a forecast 20 per cent profits rise and 30 per cent dividend increase. *Lex also looks at the latest banking figures* which are very much in line with expectations. The petrochemical, plastics and fibre industries are currently pushing through substantial *price increases* on the back of the recent rise in naphtha prices —50 per cent in the last six months—and Lex examines the companies' ability to hold higher prices in the face of considerable over capacity. Elsewhere there are buoyant figures from **Ratners and Halma** but sluggish results from **RFD.**

Chaddesley midterm upsurge

For the half year ended September 30, 1978, Chaddesley Investments achieved a *surplus* of £200,039 compared with £6,074 before tax of £164,756 (nil).

The directors point out that for reasons connected with the recent merger with Greycoat Estates Investments, the first half surplus is not indicative of the level likely to be achieved in the second six months.

The first half figure is after deducting £156,404 in respect of pre-acquisition profits of subsidiaries and is after total charges and interest of £12,837 (£15,596).

The board continues to strengthen links with the group's bankers, insurance companies, pension funds and other city institutions.

The provision of finance for every scheme is carefully considered with the aim of securing the method appropriate to the particular project and, wherever possible, ensuring the maximum retention of future growth.

The policy is to undertake the development of first class office *commercial and industrial buildings* with a commitment to high standards of design and construction enabling the group to attract first class tenants at good rents for completed developments.

The directors continue to examine new propositions and look forward to steady growth.

Ratners tops £0.5m at halfway: sees good year

PROFITS BEFORE tax of Ratners (Jewellers) in the first half to October 6, 1978, increased from £420,969 to £534,691, including a loss in the Netherlands of £48,398.

The directors again point out that due to the seasonal nature of the trade, the greater part of profits are earned in the second half. Since the end of the first *half*, sales have continued at a high level and the board looks forward to a satisfactory increase on last year's profits of £1.59m.

First-half UK profits were 33 per cent higher on a turnover increased from £5.83m to £7.32m, an improvement of 25.8 per cent. In addition there was a surplus arising on the sale and leaseback of a property amounting to £233,340. Total turnover rose from £5.94m to £7.76m.

In the context of last September's rights issue, the Treasury has agreed to an increase in total dividends for the current year from equal to 0.42669p to 2.345p. Accordingly the interim *dividend is being raised from* an equivalent 0.22755p to 0.8375p on increased capital.

Mr. L. M. Ratner, *chairman*, and Mrs. Ratner and Mr. J. M. Ratner, Mr. G. I. Ratner and Mr. M. Hussain have waived their entitlement to the larger part of their dividend amounting to £31,987.

Freddie Mansfield

Mr. Leslie Ratner, chairman of Ratners (Jewellers) outside one of the company's Oxford Street shops. Profits on UK sales are one-third up over the first six months.

● comment

First half results from Ratners are exactly what the market was expecting, with profits showing a 27 per cent advance. Stripping out new branches, the sales rise is just over a quarter, compared with an overall market increase of around 18 per cent for the period. At the moment the only headache is in Holland where *the company has opened six* branches. There, difficult trading conditions and Ratners' unfamiliarity with Dutch jewellery fashions could result in a further loss for the second *half.* But at home conditions have been buoyant, particularly over Christmas, although trading has apparently not been at the previous year's record levels. Nevertheless, with the additional outlets, at least £2.1m pre-tax should be possible for the full year—a one-third increase. At this level the shares, at 73p, are on a prospective p/e of 14.2 (fully taxed) while the yield is 4.9 per cent. This is roughly in *line with its competition.*

Dubilier on course for further advance

ORDERS, SALES and profits of Dubilier are all up in the first two months of the current year *against the same period last year,* says Mr. R. A. Wheeler, the chairman, in his annual statement.

As reported on December 14, pre-tax profits of the group, which makes components for the electronics industry, rose 34 per cent to a record £1.11m for the year ended October 1, 1978.

An expansion of the workforce by 12.5 per cent coupled with another year of substantial *capital investment,* at £835,000, helped boost turnover 18 per cent to £10.19m.

The chairman says this level of capital expenditure will continue in the current year both to increase capacity of existing products and to develop new products for home and overseas markets.

Exports, up 43 per cent to £1.3m, now represent nearly 13 per cent of revenue and with all the main group companies doing well, overseas business is being expanded, especially in Europe.

An additional capacitor product line, continued build-up of the metal film resistor, entry into the potentiometer and trim*mer field* and introduction of new connector and fuse products resulted in an increase in stocks and work in progress, Mr. Wheeler reports.

The directors anticipate that the benefit from this planned additional financial commitment will provide the basis for increased sales revenue in the current year.

New projects under development give added confidence for the future, says the chairman.

Under a licensing agreement with the UKAEA's Culham Laboratory, the company has booked its first miniature ion sources order. Metal sprayer *development continues* and steady progress is being made.

"The potential continues to *look promising,*" he adds.

The re-sale and distribution division had another growth year and increased sales to the company's authorised distributor network were particularly encouraging.

Halma higher and confident

AN INCREASE in first half results is reported by Halma and the directors are confident that pre-tax profit for the year to *March 31, 1979* will exceed last year's record £844,000.

The forecast is subject to there being no major deterioration in the economy, but the Board is confident the group can look forward to a long period of sustained growth and increasing *profits.*

Turnover for the half year rose from £4.58m to £5.14m and pre-tax profits were £510,273 compared with £403,661, an increase of 26 per cent. After tax of £265,342 (£209,904), earnings per share are shown at 2.39p against 1.95p.

The interim dividend is effectively held at 0.53p and a *final of 0.208p* (equal to 0.1327p) is expected. To this will be added any further dividend permitted under the legislation which now allows dividend increases in line with increases in dividend cover.

First half net profits amounted to £244,931 against £193,757. There is also to be added minorities of £1,572 (nil) and extraordinary items of £35,549 against £2,757.

The group makes *safety systems*, fire and environmental control equipment and specialised engineering equipment.

● comment

Halma's policy of concentrating on more profitable activities is clearly paying off. First-half profit margins have inched up by a point to nearly 10 per cent, compared with 2.3 per cent four years ago. Most of the running is being made by the company's health and safety equipment on the back of new legislation and union demands for better environments. For example sales of mobile fume extractors have jumped by 60 per cent. Halma has also won its first big contract *for fire* ventilation equipment. With its early start in the field, it is well placed to benefit *from* overseas orders as more countries raise their standards. To this end Halma has located subsidiaries in France and Holland. But in the meantime its growth rate cannot be expected to match the gains of recent years. Helped by a lower interest charge (the overdraft has been cut by the sale of surplus property) Halma is on target for around £1.1m for the year—a 31 per cent increase, compared with a 50 per cent rise last year. The share price, at 41p, is being held back by the *low yield, which, assuming* a 10 per cent rise, stands at 2.7 per cent. The prospective p/e is around 8.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are *usually held* for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals, and *the sub-divisions shown below are* based mainly on last year's timetable.

TODAY

Interims—Astra Industrial, Peter Black, Hollas Group, H. & R. Johnson-Richards Tiles, Henry Wigfall.

Finals—Eurotherm International, Ley's Foundries and Engineering, M & G Dual Trust, McCorquodale, Westland Aircraft.

FUTURE DATES

Interims—	
Commercial Bank of Australia	Feb. 22
Denbyware	Jan. 18
Hales Properties	Jan. 16
Provincial Cities Trust	Jan. 18
Regional Properties	Jan. 15
Steinberg	Feb. [illegible]
Stewart Plastics	Jan. 30
Stock Conversion	Jan. 17
Finals—	
Countryside Properties	Jan. 17
Kenning Motor	Jan. 11
Whatlings	Jan. 12

Lynton first half downturn

A DOWNTURN in taxable surplus from £556,470 to £465,825 is reported by Lynton Holdings, the property investment and development group, for the half-year to September 25, 1978. Rents receivable were up at £1,335,296 against £1,064,667.

Profits were affected by a fall in deposit interest rates compared with the previous year's same period, and the charging to revenue of interest in respect of certain properties previously regarded as held for, or in course of development.

After tax of £242,229 (£289,364) net income fell from £267,106 to £223,596. Development outgoings, less tax, of £457,925 (£479,018) have been met by a transfer from capital reserve.

Stated earnings are down from 3.04p to 2.55p per 20p share. The net interim dividend is kept at 1.2p and the directors expect to maintain last year's total distribution of 2.48p, which was paid from £1.11m pre-tax surplus.

SWAN HUNTER

Swan Hunter announces, in connection with the proposed scheme of reconstruction, that notices of dissent have been received in respect of some 42,000 shares representing less than ¼ per cent *of the issued capital.*

A further extraordinary general meeting has already been *convened for January 12, to* approve the resolution putting the company into voluntary liquidation.

Serck still seeks foothold in U.S. to expand valve business

THOUGH Serck's attempt to buy a *foothold* in the American specialist valve industry for $35m, fell through in November last year, the group's directors will continue to seek further opportunities for expansion of its valve business in the U.S., says Mr. R. G. Martin, the chairman.

Meanwhile Serck Services, which began tradin the Middle East during 1977-78, has identified further interesting opportuni which could lead to expansion in that area, he adds.

The group, whose interests include heat exchanges, control equipment and vehicle exchange parts, invested a record £5m in fixed assets, principally on re-equipment over the year. Of the total £4m was spent in the UK. In June it acquired Wilson Foundry (Holdings) in a deal worth £3.75m.

As known, negotiations aimed at buying the Aloyco specialist valve division of Walworth Company, one of the country's major valve makers and subsidiary of Atlantic Richfield, were begun in July. The U.S. company, however, decided that the separation of the activities implicit in the proposals were impracticable.

For the year to September 30, 1978, taxable profit of Serck slumped from £9.32m to £5.15m on sales of £98m (£78m) in a depressed market for many of *its products—as reported December 14.* On a current cost basis profit showed a 70 per cent reduction compared with the historical figure, Mr. Martin states.

At the year-end, cash and short *term deposits* were lower at £1.65m (£2.59m(and bank loans and overdrafts were up at £2.59m (£1.37m) but a reduction in medium and long-term borrowings left the net increase in borrowings at £1.84m (£3.57m). The net dividend is raised to 6.534p (5.94p) per 25p share.

Sales and operating profit of £5.82m (£9.45m) were split as to the UK £51.6m (£42.1m) and £3.75m (£5.65m); rest of Europe £27.8m (£22.3m) and £0.76m (£2m) and elsewhere £13.9m (£14m) and £1.29m (£1.8m). UK exports, including intra-group sales, were up from £16.2m to £20.8m.

Meeting, Birmingham, on February 8 at 12.30 p.m.

DIVIDENDS ANNOUNCED

		Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Best and May	int.	0.95	March 1	0.86	—	3.08
Halma	int.	0.53	Feb. 19	0.53*	—‡	0.67*
Investors Capital		1.3	March 15	1.05	2	1.65
Lynton Hldgs.	int.	1.2	April 2	1.2	—	2.48
Ratners (Jewellers)	int.	0.84†	March 9	0.23*	—	0.43*
RFD Group	int.	0.7	March 1	0.6	—	1.6
Winterbottom Trust		3.6	March 13	3	5.6	4.6

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Final of 0.208p *forecast.*

NEW LIFE BUSINESS

Yorkshire-General Life passes £1bn mark for first time

NET NEW sums assured written in 1978 by Yorkshire General Life Assurance Company, the life *company in the General Accident* Group, topped £1bn for the first time, climbing 27 per cent from £794m in 1977 to £1,007m last year.

New annual premiums were 24 per cent higher at £9.4m compared with £7.6m in the previous year. New annual premiums on ordinary life business rose by 17 per cent from £3.5m to £4.1m. Traditional with-profits business rose by 46 per cent to £1.9m, but *this was offset by a 40 per cent* drop in non-profit business to £0.6m.

Business in pure protection contracts—the company is a leader in term assurance—was buoyant—with a 43 per cent rise to £1m on non-mortgage business and 20 per cent to £0.6m on mortgage protection contracts.

On pension business annual premiums were 30 per cent higher at £5.2m against £4m in 1977, with group pensions business 48 per cent higher at £3.3m, executive pensions 48 per *cent higher at £0.8m and self-*employed pension contracts up 20 per cent at £1.1m.

Single-premium and annuity business rose by 52 per cent from £4.2m to £6.4m, with almost all this growth coming from the *company's new capital investment* schemes and growth bonds launched during 1978. Sales of *these products amounted to £2m.*

Mr. Norman Graham, assistant general manager of Yorkshire-*General, stated that the return* to expansion envisaged at the beginning of last year had materialised and there had been notable increases in both new sums assured and new annual premiums. For the current year, he expected a continued upward trend in all areas of business except new group pensions *where there would likely be a* period of consolidation.

A rise of 19.7 per cent in new annual premiums for its worldwide life business is reported for 1978 by Commercial Union Assurance. *These rose from* £35m in 1977 to £41.9m last year. The figures have been converted at the exchange rates ruling at the end of the relevant year. But since there was very little change between rates at the end of 1977 and the end of last year these figures show the real growth in business. Single premiums how*ever* declined by 8.7 per cent from £28.8m to £26.3m. New sums assured rose by 20 per cent from £1.9bn to £2.3bn and new annuities per annum remained virtually unchanged at £75.4m.

Business in the UK was par*ticularly* buoyant with new annual premiums advancing 41 per cent from £12.2m to £17.2m, with single premiums virtually unchanged at £4.7m.

Both individual and group pensions business were active last year in the UK. New annual premiums on ordinary life, individual pensions and other annuity business were 37 per cent up on the year at £8.5m compared with £6.2m, with execu*tive pensions, self-employed* pensions and lost cost endowments connected with mortgage repayment showing useful rises. A similar growth pattern was experienced in the company pension field following the introduction of the new state pension scheme with new annual premiums of £8.7m compared *with £6m in 1977.*

Record new life business was written in 1978 by the English Insurance Company, a member of the General Accident Group. Net premium income nearly doubled to £6.3m from £3.4m in 1977 and in additional single premium and immediate annuity considerations slightly lower at £4.3m compared *with £4.46m in 1977. The benefits* secured were net sums assured of £955m against £350m in 1977, net deferred annuities of £8.8m compared with £5.7m and net immediate annuities of £657,000 the same as the previous year.

RESULTS AND ACCOUNTS IN BRIEF

BRIDGEND PROCESSES—Turnover for six months to June 30, 1978, £122,346 (£152,293). Pre-tax loss £15,829 (profit £17,002). Tax £11,790 (£12,000). Attributable loss £30,427 (profit £2,322) after minorities. Board says results reflect continuing effects of difficulties referred to in annual *report. These problems are now much* reduced in importance and initial pallet orders, due for completion in 1979 are promising. Group recently entered *into agreement whereby in considera*tion for £57,000 represented by issue of 600,000 Bridgend ordinary shares, it has been agreed to acquire exclusive world rights to unique invention in field of microwave doppler radar systems. Investment in production facilities proceeding, and commercial launch planned for January, 1979.

INTERNATIONAL FACTORS (member of the Lloyds and Scottish group)—Turnover for year to September 30, 1978, £219,000,000. Pre-tax profit (£797,000. Board state confidence and new business has been buoyant throughout year.

CHANGE WARES—Fixed final divi*dend of 0.6p per share* on 12 per cent convertible cumulative participating preferred redeemable 10p shares. Payment on April 2, 1979. The 0.2p *interim dividend paid on ordinary* shares has been paid on participating preferred shares. These shares will be entitled to final dividend payable on ordinary and forecast as being 0.2p per share.

TRIPLEVEST—Net asset value per £1 capital share 330p as at November 30, 1978 (343½p at August 31, 1978).

DORANAKANDE RUBBER ESTATES—Net profits for nine months to September 30, 1978, £16,264 (£11,557) after tax of £8,000 (£7,375). Dividend already announced. Earnings per share 2.14p (1.52p). Net asset value 86.40p (55.90p). For year 1978, board anticipate after tax profit of £19,000 *(£15,000)* excluding income from Dormat Investments estimated at £2,200.

LAZARD BROTHERS STERLING *RESERVE FUND—Final dividend 0.9p* for year 1978. Pay March 9. Report and accounts for 1978 will be despatched to shareholders in early February.

BARRATT DEVELOPMENTS — *Board* confirms that 0.0026484p per share —underpaid when recent final payment was made will be carried forward and paid with the *next interim dividend.*

ISSUE NEWS

Haslemere Ests. £12.1m rights

BY JOHN BRENNAN, PROPERTY CORRESPONDENT

Haslemere Estates announced a £12.1m one-for-five rights issue yesterday. On the strength of a forecasted 20 per cent increase in pre-tax profits to "not less than" £3.4m in 1978-79, Hill Samuel, acting for Haslemere, has completed underwriting for the new issue at 220p a share, a 40p discount to the market price, down 8p on the day.

Mr. David Pickford, Haslemere's managing director, explained yesterday that the £11.7m net proceeds of the rights issue will initially be used to repay the group's bank borrowings, with a consequent reduction in interest charges expected to cost £5.7m this year. But Mr. Pickford does not feel that short term debet (£13.4m out of total loan capital of £54.9m) forms too high a proportion of borrowings. And the rights proceeds will eventually be used for further expansion of Haslemere's property development and restoration business.

Mr. Pickford preferred a rights issue, "whereby all shareholders have the opportunity of benefiting from new developments" to allowing an erosion of Haslemere's equity in new schemes by accepting a greater proportion of institutional finance on each scheme.

Where the group enters into a development or restoration scheme with a financing partner, Mr. Pickford intends to continue bringing sufficient capital to the scheme to "put up less than 50 per cent of the costs and retain 50 per cent of the rental income."

The rights proceeds will provide additional "seed capital" to maintain this level of participation in new projects.

In support of the rights, launched fortuitously at a time when Haslemere's shares are at their highest level in the market for five years, the group forecasts pre-tax profits of £3.4m for the year to the end of March, 1979, against £2.83m last time. Net rents are expected to top £9m, and trading profits are estimated at £1.2m.

A final dividend of 3.22p a share net is proposed, making a total for the year of 4.32p net, 6.45p gross.

Subject to shareholders' approval at an extraordinary general meeting on January 24, trading in the new shares would start on the following day and the new stock will be eligible for the 1978-79 final dividend.

The offer is in the form of one new share for every five ordinary shares, and one new share for every £11.2613 nominal of Haslemere's 9½ per cent convertible unsecured loan stock 1990-95. February 14 has been set as the final acceptance date.

Haslemere's last rights issue, in September, 1975, raised £9.2m through the issue of the convertible loan stock. That money has now been fully used for acquisition and development of properties. Haslemere estimates that since October, 1975, it has spent £20m on its portfolio and realised £5.5m from property sales.

See Lex

Yearlings rate down ¼%

THE INTEREST rate on this week's issue of local authority yearlings bonds is 11¾ per cent —down on last week's 12 per cent. The stock is issued at par and is due for repayment on January 16, 1980.

The issues are: City of Chester (£250,000), City of Lincoln (£250,000), City of Wakefield Metropolitan District Council (£250,000), Llanelli Borough Council (£150,000), Metropolitan Borough of Rotherham (£1.25m), Gateshead Borough Council (£500,000), Bury Metropolitan Borough Council (£500,000), Castle Morpeth District Council (£500,000), Kirklees Metropolitan Borough Council (£250,000), Rushmoor Borough Council (£1m), City of Aberdeen District Council (£500,000), Cannock Chase District Council (£500,000), Highland Regonal Council (£1m), Monklands District Council (£500,000), City of York (£500,000), Birmingham District Council (£2m), Fife Regional Council (£500,000), City of Glasgow District Council (£1m), Royal Borough of Kensington and Chelsea (£1m), South Yorkshire Passenger Executive (£500,000).

METAL BOX 92% TAKEN UP

Metal Box announced yesterday that acceptances have been received in respect of 13,730,669 shares (about 92.1 per cent) of recent rights issue of 14,901,379 shares.

The Lep Group told the Stock Exchange yesterday that 96.5 per cent of the shares (627,908) issued through the recent rights issue have been taken up.

Weak dollar to affect Gordon & Gotch profits

BECAUSE of the fall in the U.S. dollar and its effect on other major currencies, the directors of Gordon and Gotch Holdings do not expect results for the current year to March 31, 1979 to match last year's record of £1.01m.

Profits for the first six months were down slightly from £508,000 to £502,000—the profit includes share of associates and trade investments. Group turnover was lower at £15.03m against £15.75m but turnover of the associated companies (50 per cent owned) amounted to £21.69m against £17.6m.

The directors remind shareholders that the interim dividend of 2.984p (2.64p) paid on November 3 is the maximum permitted for the year and is likely therefore to be the only payment made for 1978-79.

After tax of £261,000 (£264,000) and minorities £3,000 (£5,000); the attributable profit at midway was little changed at £238,000 against £239,000. An amount of £103,261 (£118,338) is retained.

The group trades in exports of publications, computer services, etc.

Referring to the dividend restriction, Sir Anthony Percival, chairman, explains in his interim report that the directors had declared the interim dividend early with the idea that it would be to the advantage of all shareholders to receive "as much as possible as soon as possible."

The group had in mind that the established pattern of dividend distribution had already been disrupted by the enactment of the Dividends Act 1978.

As well as the serious fall in the U.S. dollar, the chairman says the even greater drop in the Canadian dollar hit the national distribution of British magazines through the subsidiary, Gordon and Gotch (Canada) forcing it into loss.

Fortunately, the other more diversified activities which now contribute the major part of the holding company's profits, have done better than in the preceding year.

Trade investments overseas have prospered as have the two associate companies, Mercury Airfreight and Hachette Gotch, despite the problems in Fleet Street, the chairman says.

The Gordon and Gotch computer bureau has also been successful, further expanding its customer base and its profits above those of last year.

ASSOCIATES DEALS

S. G. Warburg and Co, as an associate of Hawker Siddeley Group, bought on behalf of a discretionary investment client 50,000 ordinary shares of Hawker Siddeley Group at 222p.

EUROPEAN OPTIONS EXCHANGE

Series		Jan. Vol.	Jan. Last	Apr. Vol.	Apr. Last	July Vol.	July Last	Stock
ABN	F.380	4	0.30	—	—	—	—	F.367
ABN	F.390	—	—	32	4	—	—	"
AKZ	F.27.50	—	—	2	4.60	—	—	F.30.60
AKZ	F.30	78	1	8	3	2	4.50	"
AKZ	F.32.50	30	0.20	43	1.70	—	—	"
AKZ	F.35	—	—	5	1	2	2	"
ARB	F.78.90	—	—	5	1.70	—	—	F.75.10
CSF	F.360	—	—	—	—	5	38.80	F.390
CSF	F.400	—	—	—	—	10	26.90	"
CSF	F.440	—	—	—	—	5	12	"
EK	$60	4	2	—	—	—	—	$62
EK	$70	—	—	20	1⅞	—	—	"
GM	$50	1	6¼	—	—	—	—	$56
GOB	F.150	—	—	—	—	8	11.40	F.150.50
HO	F.32.50	—	—	—	—	6	5.30	F.34
HO	F.35	4	0.60	10	2.80	—	—	"
HO	F.37.50	10	0.40	50	1.50	10	3.60	"
HO	F.40	—	—	80	0.80	22	2	"
HO	F.45	—	—	44	0.30	—	—	"
IBM	$280	10	26½	—	—	—	—	$306¾
IBM	$300	5	9¼	1	20¾	—	—	"
IBM	$320	—	—	1	10¼	—	—	"
KLM	F.120	7	3	1	7	1	11.60	F.121. 0
KLM	F.130	—	—	1	3.90	2	7	"
KLM	F.150	—	—	5	1.10	—	—	"
KLM	F.170	—	—	—	—	3	0.90	"
NN	F.108.90	3	0.90	—	—	—	—	F.107.90
NN	F.120	—	—	35	1.50	—	—	"
PHI	F.22.50	60	2.30	—	—	—	—	F.24.70
PHI	F.25	7	0.40	5	1.60	—	—	"
PHI	F.27.50	—	—	—	—	10	1.10	"
PRD	$50	3	4¼	—	—	—	—	$53⅝
PRD	$60	8	⅛	—	—	—	—	"
PSA	F.560	—	—	5	1	10	6	F.461
RD	F.120	47	3.80	8	7.60	—	—	F.123.20
RD	F.130	65	0.20	35	2.30	10	3.70	"
S	$20	—	—	2	1⅞	—	—	$21¼
UNI	F.120	—	—	1	6.50	—	—	F.122.40
XRX	$60	4	¼	—	—	—	—	$56⅝
		Feb.		May		August		
BA	$60	3	16	—	—	—	—	$75⅛
BA	$70	2	8	—	—	—	—	"
BA	$80	3	3¼	4	6⅞	—	—	"
SLB	$100	2	3⅜	2	7¼	—	—	$97¼
TOTAL VOLUME IN CONTRACTS						868		

هكذا من الأجل

Averys board turns down GEC merger approach

The Board of Averys, the weighing machine and measuring instrument company, yesterday rejected the possibility of a take-over by the General Electric Company.

On November 30, GEC announced that it had opened talks with Averys on the possibility of a 225p cash offer for Averys' ordinary shares, which would be worth a total of £83m.

Since then, executives of Averys have had what are described as friendly talks with GEC to explore the implications of a possible take-over.

At its meeting yesterday, the Averys' oBard rejected the take-over idea, because it believed the company's future could be best served by remaining independent in order to maintain the widest *access to component suppliers* and to its customers.

A statement from Averys says: "As an independent company, Averys has been able to expand into new markets whenever profitable opportunities have arisen and it has not been and does not expect to be, constrained *from expansion by lack of* technical or financial resources. Averys is at present well advanced in the application of electronics to weighing equipment and has the ability to maintain the necessary development.

GEC's strategy, in exploring the possibility of a take-over of Averys was to diversify into the retail and factory measurement industry. It believes weighing equipment as well as office *machinery will tend to become* integrated into total systems involving computers and telecommunications.

GEC has recent made an agreed £52m bid for A. B. Dick, the U.S. office equipment company, and is expected to make some further acquisitions this year.

The Avery board's rejection of the GEC suggested bid still leaves open the possibility of co-operation between the two companies on a "normal commercial basis."

Mr. Nicholas Holland corporate *finance manager* with J. Henry Schroeder Wagg, advisers to Averys, said: "The ball is now in GEC's court, after considering all the *implications*, we have said *"No" to a merger.*

Last night GEC would not comment on whether it intends to go ahead with a bid or to increase its offer. A company spokesman would only say: "We are considering the matter."

Guthrie slips 7p on selling in Far East

By James Bartholomew

Shares of Guthrie Corporation, which is the object of a bid *approach by Sime Darby, fell* back 7p to 430p in late dealings yesterday, reportedly on selling from the Far East.

However in London it is widely assumed that the price of 425p per share, which Sime Darby has mentioned, is only a sighting shot. A figure of £5 is *regarded as one at which* Sime Darby might have a more reasonable chance of success.

Guthrie has some loyal shareholders who will need a lot of convincing. The biggest shareholders of Guthrie are trusts of the late Mr. K. C. M. G. Anderson, with about 16 per cent, and M and G, the unit trust group, with just over 11 per cent. They provide the nucleus for those who hold Guthrie in high regard and will only let it go at a full price.

On the other side are the Far Eastern holders, including Sime Darby itself which was last known to have had 4.8 per cent. The Far East is thought to have *about a fifth of the equity* and would probably be receptive to an offer from Sime.

The issue will be decided by British institutions who have *about 50 per cent of the equity.* These have a whole spectrum of attitudes.

At one extreme are those who regard Guthrie as an admirable plantation company and one of the few vehicles for British investment in palm oil and rubber plantations without payment of the dollar premium.

At the other end are those who regard the passing of control of British plantation companies to the local inhabitants as an inevitable process, to be profited from, not resisted.

Guthrie can be expected to produce a strong defence against a bid of 425p or even somewhat higher. It has had many months to prepare for this bid having been warned by persistent rumours last summer.

On the other hand the institutions are finding it difficult to see a possible counter-bidder which could set up an auction.

Among the other UK institutional shareholders of Guthrie are Save and Prosper unit trusts, around 3 per cent, Ivory and Sime, 1 per cent, and Rothschild *Investment Trust* something over 1 per cent.

ATLANTIC ASSETS KWIK-FIT

Atlantic Assets, the Edinburgh-based investment trust, managed by Ivory and Sime, has acquired 1.35m ordinary shares, representing 8.63 per cent, of *Kwik-Fit* (Tyres and Exhausts) Holdings.

The shares were purchased from Kwik-Fit's chairman Alec Stenson, whose holding now amounts to 1m shares.

The purchase by Atlantic was made at 50p per share and the transaction was arranged by Edinburgh Finance and General Holdings.

Foster Bros. buys Millets of Bristol

Foster Brothers Clothing Company, the multiple retailer specialising in menswear, has agreed to buy Millets of Bristol (Holdings) for at least £2.5m in cash and shares. Millets has 50 shops trading in casual wear and camping equipment. It also sells sports goods.

Foster will get an immediate return on its investment said Mr. B. G. Davison, the group managing director, yesterday. And *Foster would be able to improve* the performance of Millets in the future, he said.

The buying power of Foster, which has 560 menswear shops, 60 childrenswear shops and 30 drugstores, would help improve Millets' margins. And the use of "sophisticated retail controls" would also improve its performance.

Pre-tax profits of £468,000 were made by Millets in the year *ending January 28, 1978*, and over £600,000 is being forecast for 1978/79. If profits do reach £600,00 in this period then the consideration will be increased by £400,000. Higher profits *still* would mean further consideration of up to £300,000.

The net asset value was £1.3m at the beginning of last year but the directors consider that the value of properties exceed the book value by at least £1m.

The basic consideration of £2.5m will be satisfied by £1.39m in cash and the issue of 673,649 Foster shares at 167p. In the market yesterday, Foster shares rose 3p to 171p.

Millets of Bristol (Holdings) is not to be confused with several other companies with similar names in the same field of camping and leisurewear. One of them, the publicly quoted Greenfield Milletts, yesterday announced its intention of changing its name to Greenfield Leisure to make matters more clear.

SPENCER CLARK DISPOSALS

High-speed tool manufacturer Spencer Clark Metal Industries is disposing of part of its Greasbrough Street Works, Rotherham and the whole of North British Steelworks, Penistone, Sheffield for a total consideration of about £600,000.

The move marks a continuation of the company's policies of expansion and rationalisation of manufacturing facilities. The cash consideration will enable the company to effect a substantial reduction in the group's indebtedness. In the year ending September 30, 1977, net borrowings stood at over £1m.

Bush Boake Allen purchase

BY SUE CAMERON

Bush Boake Allen, part of the UK-based Albright and Wilson chemical concern, has bought the U.S. *flavour and fragrances* business of Monsanto chemicals group.

Neither company would disclose the price paid for the acquisition.

Albright, which was taken over by the U.S.-based Tenneco group last autumn, said the purchase would *push* Bush Boake Allen among the top 10 American flavours and fragrances concerns. It added that the company's range of proprietary aroma *chemicals—used* in detergents, shampoos, cosmetics and toiletries of all kinds—would be considerably extended.

The deal will give Bush Boake Allen the rights to Monsanto Flavour% Essence's Veilex Malador counteractant fragrances.

Monsanto, which went into the flavours and fragrances market in 1968, said the sale was part of its long-term plan to divest itself of businesses which were either less profitable or in which it had not built up a great deal of expertise. Its aim was to concentrate on certain high technology areas and on operations where it had a leading market position.

Bush Boake Allen, with 18 manufacturing plants in 12 *countries, had operating profits of* £8.6m on sales of £49.6m in 1977.

World diamond sales hit a best-ever $2.55bn

BY KENNETH MARSTON, MINING EDITOR

WORLD SALES of rough gem and industrial diamonds handled in 1978 by the Central Selling Organisation on behalf of De Beers and other producers have soared to a best-ever R2.22bn ($2.55bn), a 23 per cent increase on the 1977 record of R1.8bn ($2.07bn).

	Six months to June Rm	Dec. Rm	Year's Total Rm
1978	1,063.5	1,155.4	2,218.9
1977	943.4	859.3	1,802.7
1976	681.9	670.0	1,351.9
1975	335.1	458.4	793.5
1974	526.5	312.6	849.1
1973	478.7	441.9	920.6
1972	323.4	332.1	655.5
1971	220.1	225.3	445.4
1970	200.7	177.7	378.4
1969	260.1	234.5	494.6
1968	203.2	225.6	428.8

The impetus was maintained throughout the year, a total of R1.08bn in hte first half of 1978 being followed by one of R1.16bn in the second half. The boom in sales values has reflected record price increases coupled with a high demand, much of which has been stimulated by hedging against the dollar and other currencies.

Such hedging almost got out of control in the first half of last year when merchants were hoarding uncut gems instead of passing them along the processing and marketing chain. The CSO countered this by imposing on its basic prices temporary *surcharges which amounted to* as much as 40 per cent in March, 25 per cent in May, 15 per cent in June and 10 per cent in July.

The surcharges were then dropped and in their place the CSO made a biggest-ever basic price increase of 30 per cent at the August sight, or selling occasion, of which there are ten a year. This increase reflected to a large extent the weakness of the U.S. dollar—in which currency diamonds are priced—and it followed a 17 per cent increase in December 1977.

The diamond market is now in its seasonally quiet period and no great excitement is expected at the January sight next week. A better guide to 1979 prospects may come with the mid-February sight. Meanwhile, anticipations are strengthened of a strong advance in De Beers' 1978 earnings which are due to be announced in March.

Market estimates of De Beers' total dividend for the year have ranged up to 67½ cents (38p) compared with the 52½ cents paid for 1977. Bearing in mind the fact that it is the company's policy never to reduce dividends, a touch of caution may be deemed advisable after the past year's unprecedented boom conditions in the diamond market.

Furthermore, the advent of independence in Namibia (South West Africa) could result in some reduction in the group's profits from that country which currently accounts for about 22 per cent of the total, although expansion is under way at the group's other mines in South Africa, Botswana and Namaqualand. De Beers closed 5p up at *405p yesterday.*

Ayer Hitam does well

Production of tin concentrates at Malaysia's Ayer Hitam continued on a firmly rising path in December with an output for the month of 335 tonnes—the highest since November, 1976. The increase is all the more creditable for the fact that the *No. 1 Dredge* was shut down on December 13 for approximately six weeks for major repairs.

The latest figure brings the six-month total output to 1,183 tonnes compared with 823 tonnes in the same period last year although still well below the 2,903 tonnes produced in the same period in 1976.

Although lower than the previous month's output, production at Malayan Tin continues well ahead of the same period last year with the six-month total of 1,578 tonnes against 1,247 tonnes.

Southern Malayan has increased production for the seventh successive month with a six-month total of 1,239 tonnes compared with the 1,046 tonnes produced in the same period in 1977.

The group's latest output figures are compared below:

	Dec. tonnes	Nov. tonnes	Oct. tonnes
Aokam	120	144	129
Ayer Hitam	335	183	201
Berjuntai	287	287	317
Kamunting	43	40	38
Kramat	28	34	32
Kuala Kampar	18	18	22
Lower Perak	24	27	30
Malayan	230	241	286
S. Kinta Cons.	158	150	145
Sthn. Malayan	247	216	210
Sungei Besi	218	230	221
Tongkah Harbr.	45	26	38
Tronoh Mines	181	205	210

Higher gold profits in Dec. quarter

A GOOD showing is made by the first batch of December quarterly reports from the South African gold producers, those of the Consolidated Gold Fields group. *A general increase* in profits to record levels reflects a rise in the average gold price received to $217 per oz compared with $200 in the previous three months.

Costs have been generally maintained, but gold production has fallen slightly in line with lower recovery grades. Notably good profit increases are reported by Doornfontein, East Driefontein, Libanon and Venterspost, the last-named *having been a repayer*, rather than receiver, of state aid in the past quarter.

The group's latest quarterly net profits are compared in the following table.

	Dec. qtr.	Sept. qtr.	June qtr.
Doornfontein	3,872	2,991	3,816
East Driefontein	30,811	22,813	23,940
Kloof	12,120	10,940	11,134
Libanon	4,713	4,133	4,921
Venterspost	‡1,310	†792	‡1,525
Vlakfontein	353	148	436
West Driefontein	27,434	25,797	26,715

† After receipt of state aid. ‡ After state aid repayment.

The new Deelkraal gold mine has now completed all its major surface installations. As already announced, it is hoped to start trial milling towards the end of this year.

Go-ahead for Ranger uranium

THE Australian Government has finally given its approval for development of one of the major uranium discoveries in the Northern Territory. An agreement to develop the Ranger project was executed *in Canberra* yesterday between the discoverers, Peko-Wallsend and EZ Industries, the Commonwealth Government and the Australian Atomic Energy Commission.

At the same time, the Minister for Trade and Resources, Mr. Douglas Anthony issued an authority under section 41 of the Atomic Energy Act to allow mining at the Ranger project, reports James Forth from Sydney.

The approval comes slightly more than four years after Peko and EZ signed a memorandum with the Federal Government of the day providing for the companies to develop Ranger in partnership with the AAEC.

The project has been delayed by a number of factors, including a Government ban on entering into new uranium sales contracts, a *lengthy Government-sponsored* inquiry into the question of uranium mining, and rising opposition to development from anti-uranium and environmentalist groups.

The last major hurdle was cleared in November when agreement was reached with the Northern Land Council on royalties for traditional Aboroginal landowners.

Yesterday's agreement provides that the AAEC will put up 72.5 per cent of the estimated capital cost of A$300m (£170m) for a 3,000 tonnes a year of uranium oxide operation; the deposit contains about 100,000 tonnes. Production should get under way in about three years' time. The AAEC will receive 50 per cent of the uranium concentrates produced.

If mining continues beyond the 21-year period provided for in the agreement, costs and proceeds will be shared equally between the companies and the Government.

Meanwhile, Peko-Wallsend and EZ will each contribute 13.75 per cent of the finance for 25 per cent each of the output. The companies will have the responsibility for making their own marketing arrangements for this material but will be subject to Government policy on uranium exports. The Government has not yet finally decided its policy in regard to uranium export contracts.

It has previously been stated that buyers must first negotiate a nuclear safeguards agreement with Australia before a contract can be negotiated but the Government is considering allowing conditional contracts, to speed up negotiations, which would allow the venturers to work out terms and prices before a safeguards agreement *is concluded.*

Peko and EZ executives described the signing of the agreement and the mining authority *as "major milestones"* in the development of Ranger. It should clear the way to enable later development of other deposits, such as Queensland Mines' Nabarlek discovery and Pancontinental Mining's Jabiluka.

The joint venturers will proceed to full-scale development and production as soon as finance documentation is concluded and satisfactory marketing arrangements are entered into. In London yesterday shares of Peko-Wallsend and EZ Industries were unchanged at 460p and *252p respectively.*

MINING BRIEFS

GEEVOR TIN—December output: 5,715 tonnes treated produced 62 tonnes Black Tin (65 per cent Sn.), including 7 tonnes low grade concentrates. During the month one week's production was lost through industrial action and one through Christmas holiday shut down.

GOLD AND BASE METAL MINES—Output of concentrates (73 per cent grade) for November: tin, 28 tonnes, columbite 1 tonne. Eleven months to November 30, 1978: tin, 275 tonnes, columbite 4 tonnes. Eleven months to November 30, 1977: tin, 300 tonnes, columbite 7 tonnes.

London Clearing Banks' balances

as at December 13, 1978

THE TABLES below provide the first monthly indication of the trends of bank lending and deposits, ahead of the more *comprehensive banking and money* supply figures published later by the Bank of England. Tables 1, 2 and 3 are prepared by the London clearing banks. *Tables 1 and 2 cover the business* of their offices and their subsidiaries (excluding Scottish and Northern Ireland banks) in England and Wales, the Channel Islands and the Isle of Man which are listed by the Bank of England as falling within the banking sector. Table 3 covers the parent banks only. In this, it is comparable with the figures produced by the Bank of England, which show the reserve positions of all the banking sectors subject to credit control. Minor differences here arise from the exclusion from the clearing bank figures of Coutts, a subsidiary of National Westminster but a clearing bank in its own right.

TABLE 1. AGGREGATE BALANCES

	Total outstanding £m	£m	Change on month £m	£m
LIABILITIES				
Sterling deposits:				
UK banking sector	5,395		−253	
UK private sector	28,454		+348	
UK public sector	512		− 6	
Overseas residents	2,475		+ 95	
Certificates of deposit	1,906		−129	
		38,742		+ 55
of which: Sight		16,425		+259
Time (inc. CD's)		22,317		−304
Foreign currency deposits:				
UK banking sector	4,588		− 30	
Other UK residents	1,124		− 43	
Overseas residents	12,357		+401	
Certificates of deposit	1,248		+ 70	
		19,317		+379
Total deposits		58,059		+434
Other liabilities*		9,223		+108
TOTAL LIABILITIES		67,282		+542
ASSETS				
Sterling				
Cash and balances with Bank of England		1,305		+117
Market loans:				
Discount market	2,086		+174	
UK banks	7,008		−167	
Certificates of deposit	867		+ 59	
Local authorities	994		− 1	
Other	322		+ 52	
		11,277		+117

	Total outstanding £m	£m	Change on month £m	£m
Bills:				
Treasury bills	423		−128	
Other bills	844		− 10	
		1,267		−138
Special deposits with Bank of England		671		− 3
Investments:				
British Government stocks	2,156		—	
Other	1,461		+ 64	
		3,617		+ 64
Advances:				
UK private sector	19,554		−101	
UK public sector	275		+ 28	
Overseas residents	3,191		+ 57	
		23,020		− 16
Other sterling assets*		5,637		+ 50
Foreign currencies				
Market loans:				
UK banks and discount market	4,153		+ 18	
Certificates of deposit	235		+ 18	
Other	8,615		+382	
		13,003		+417
Bills		48		− 3
Advances:				
UK private sector	2,101		− 15	
UK public sector	988		+ 1	
Overseas residents	3,391		+ 2	
		6,480		− 12
Other foreign currency assets*		856		− 52
TOTAL ASSETS		67,282		+542
Acceptances		343		+ 9

* Includes items in suspense and in transit.

TABLE 2. INDIVIDUAL GROUPS OF BANKS' BALANCES

	TOTAL Outstanding £m	TOTAL Change on month £m	BARCLAYS Outstanding £m	BARCLAYS Change on month £m	LLOYDS Outstanding £m	LLOYDS Change on month £m	MIDLAND Outstanding £m	MIDLAND Change on month £m	NATIONAL WESTMINSTER Outstanding £m	NATIONAL WESTMINSTER Change on month £m	WILLIAMS & GLYN'S Outstanding £m	WILLIAMS & GLYN'S Change on month £m
LIABILITIES												
Total deposits	58,059	+434	15,546	+174	11,101	− 47	11,836	+107	17,771	+185	1,806	+ 15
ASSETS												
Cash and balances with Bank of England	1,305	+117	383	− 10	230	+ 44	278	+ 4	374	+ 76	41	+ 3
Market loans:												
UK banks and discount market	13,247	+ 24	2,848	+ 43	3,080	−265	2,094	+ 1	4,914	+239	312	+ 7
Other	11,033	+510	3,309	+104	2,887	+109	1,454	+ 77	3,063	+194	320	+ 26
Bills	1,315	−140	309	+ 26	112	− 5	456	+ 1	404	−144	35	− 19
Special deposits with Bank of England	671	− 3	217	+ 1	77	− 3	153	+ 1	202	− 1	23	− 2
British Government stocks	2,156	—	502	+ 9	436	—	466	+ 36	524	− 44	128	—

Banking figures

(as table 9 in Bank of England Quarterly Bulletin)

ELIGIBLE LIABILITIES, RESERVE ASSETS, RESERVE RATIOS, AND SPECIAL DEPOSITS

1—Banks

	Dec. 13, 1978 £m	Change on month £m
Eligible liabilities		
UK banks		
London clearing banks	25,565	+142
Scottish clearing banks	2,787	+ 29
Northern Ireland banks	892	− 5
Accepting houses	1,866	+ 7
Other	6,742	+171
Overseas banks		
American banks	3,892	− 4
Japanese banks	275	+ 7
Other overseas banks	2,740	+ 8
Consortium banks	244	+ 13
Total eligible liabilities*	45,003	−365
Reserve assets		
UK banks		
London clearing banks	3,373	+ 19
Scottish clearing banks	367	+ 4
Northern Ireland banks	133	+ 5
Accepting houses	269	+ 6
Other	936	+ 46
Overseas banks		
American banks	550	+ 6
Japanese banks	41	+ 2
Other overseas banks	418	+ 7
Consortium banks	46	+ 4
Total reserve assets	6,133	+100
Constitution of total reserve assets		
Balances with Bank of England	420	+ 7
Money at call:		
Discount market	3,002	+334
Other	220	+ 15
Tax reserve certificates	—	—
UK, Northern Ireland Treasury Bills	835	+203
Other bills:		
Local authority	148	+ 35
Commercial	804	+ 6
British Government stocks with one year or less to final maturity	700	− 26
Other	—	—
Total reserve assets	6,133	+100
Ratios %		
UK banks		
London clearing banks	13.2	—
Scottish clearing banks	13.2	+ 0.1
Northern Ireland banks	14.9	+ 0.7
Accepting houses	14.4	+ 0.2
Other	13.9	+ 0.4
Overseas banks		
American banks	14.1	+ 0.1
Japanese banks	14.7	+ 0.1
Other overseas banks	15.3	+ 0.3
Consortium banks	18.7	+ 0.7
Combined ratio	13.6	+ 0.1
	£m	£m

BUILDING SOCIETY INTEREST RATES

GREENWICH

(01-858 8212)

281 Greenwich High Road, Greenwich SE10 8NL.

Deposit Rate 6.45%, Share Accounts 8.10%, Sub'pn. Shares 9.25%. Interest paid quarterly on shares/term shares. Monthly Income Shares 8.10%.

LONDON GOLDHAWK

(01-995 8321)

15/17 Chiswick High Road, London W4 2NG.

Sub'pn. Shares 9.75%*. Deposit Rate 7.75%.

Share Accounts 8.50%*. 3 mnths. notice 9.00%*.

Term Shares 9.50%*, 3 yrs.: 9.25%*, 2 yrs.: 9.00%, 1 yr.: 9.00%*. Includes 0.25% Centenary Bonus throughout 1979.

INTERNATIONAL BOND MARKETS

Dollar's role curtailed

BY JOHN EVANS

THE INTERNATIONAL bond markets underwent what many participants consider to be a fundamental shift in emphasis during 1978.

The dollar's broad depreciation last year, accompanied by a rise in short-term U.S. interest rates to near-historic highs, drastically reduced the American currency's role in Eurobond financing. In contrast, the various national bond markets saw greater activity by foreign borrowers, particularly in Japan.

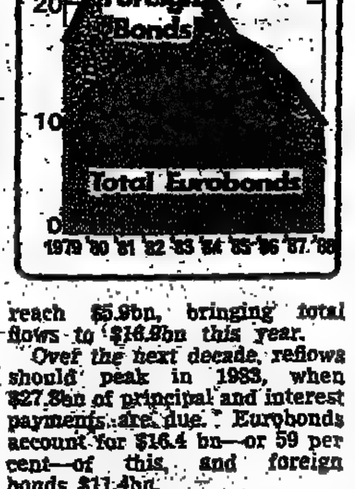
In recognition of the importance of the foreign bond markets, as the Eurobond network itself saw an absolute decline in the volume of new issues, Orion Bank has now issued a new version of its analysis of fund reflows, this time covering the whole international bond market, instead of merely the Eurobond sector.

New Eurobond issues last year totalled $14.7bn equivalent, a decline of 17 per cent on 1977. In contrast, total international bond issues, when Yankee bond, Yen Samurai and Swiss franc issues are included, showed a marginal increase at $34.17bn.

Orion Bank's study shows that the amounts of interest and principal repayments during the next decade are significant in relation to the present volume of new international issues.

Such reflows represent a solid "core" of support for the bond markets, underlining the fact that large repayments being re-invested in the markets may be potentially available to underpin new issue activity.

For instance, while Eurobond new issue volume reached $17.7bn last year, total reflows in 1979 will go some considerable way to match this figure at $10.9bn, according to Orion. Additionally, reflows back to foreign bonds should



reach $5.9bn, bringing total flows to $16.8bn this year.

Over the next decade, reflows should peak in 1983, when $27.8bn of principal and interest payments are due. Eurobonds account for $16.4 bn—or 59 per cent—of this, and foreign bonds $11.4bn.

By 1988, the total flows should recede to $9.7bn, with $6.0bn attributable to Eurobonds and $3.7bn to foreign bonds. Over the decade as a whole, repayments of all varieties should total $192.4bn (see accompanying chart of repayment schedules).

Throughout the decade, the volume of repayments in Eurobonds outstrips that in foreign bonds.

This reflects the relative maturity of the 15-year-old Eurobond market. For instance, the Yankee bond market was effectively closed between 1963 and 1973, reflecting the impact of the U.S. interest equalisation tax on foreign borrowers. Similarly, the Samurai market for foreign institutions in Tokyo has only been an effective way of raising capital since 1975.

The pattern of reflows during 1979, comprising both Euro- and foreign bonds, is as follows (in $bns): January $0.9; February $1.3; March $1.4; April $1.4; May $1.3; June $1.5; July $1.2; August $1.1; September $1.3; October $1.3; November $1.4; December $2.2.

However, the bank does qualify its study in several respects. There is a question mark over the reflows figure in relation to foreign bonds, since repayments of such issues appear in certain cases to be less likely to be reinvested in new international issues than are Eurobond repayments.

In addition, repayments of principal to investors have historically proved to be a greater source of reinvestment than interest payments, Orion states.

For example, during 1979, only 39 per cent of the total Eurobond reflows of $10.9bn represent principal payments.

Mellon net boosted by strong loan demand

By David Lascelles in New York

MELLON National Bank, the first bank to report on the final quarter of 1978, said yesterday that its net income before securities transactions was $23.8m, up 25 per cent on the same period last year. Per share earnings were up 23 per cent, from 98 cents to $1.21.

Most of this rise, according to Mr. James Higgins, the Pittsburgh-based bank's chairman, was due to higher net interest income on a higher level of commercial and consumer loans. There was also a lower provision for bad loans, and earnings from data processing services were higher.

The figures bring Mellon's year-end earnings to $86.3m, up nearly 22 per cent on last year. Earnings per share rose from $3.62 to $4.40.

The bank's report suggests that, as expected, bank earnings are still on the rise due to continuing strong demand for credit.

Mattel to buy Western Publishing

NEW YORK—Mattel, the major toy and skateboard manufacturers, and Western Publishing have agreed in principle for the acquisition of all Western's common stock by Mattel.

The transaction would involve the exchange of Western common for an aggregate consideration of 2.41m shares of a new cumulative $25 par value voting convertible preferred stock plus about $47.9m cash.

The 114,035 outstanding shares of Western preferred and second preferred stock will be redeemed at $110 per share or an aggregate of about $12.5m.

For each of the 3.8m shares of Western Publishing common, stockholders will receive either $28.35 cash or 1.134 shares of preferred stock.

The shares of new Mattel preferred would pay an annual dividend per share of $2.50 and would be convertible into not more than 2.38 nor less than 2.1 shares of Mattel common.

The transaction is designed to be tax-free to Western shareholders receiving solely the new Mattel convertible preferred.

The agreement is subject to approval by both companies, Boards and stockholders, a definitive agreement of merger and various regulatory approvals.

Reuter

ATT rebuttal to government

WASHINGTON — American Telephone and Telegraph has filed a statement with the U.S. District Court, saying that the Justice Department anti-trust charges against the Bell system are "baseless."

The company said it believed the Government's charges, made two months ago, "reveal a total misunderstanding of the telecommunications industry and do not support the Government's radical request to break up the system."

AT and T said the Justice Department case covers a 100-year period but added: "Virtually all the specific charges in the case, however, deal with an allegedly anti-competitive course of conduct occurring over only the last 10 years."

The Justice Department filed the civil anti-trust suit in 1974 against AT and T, Western Electric, a subsidiary which manufactured telephone equipment for the Bell system, and Bell Telephone Laboratories, owned equally by AT and T and Western Electric.

They were accused of violating the Sherman Act by allegedly conspiring to monopolise telecommunications service in the U.S.

The suit asked for divestiture of Western Electric and division of it into two or more competing companies.

AT and T, in its statement filed with the U.S. District Court, said the Government had "largely ignored the technological forces that determined the structure of the Bell system, the regulatory statutes and policies that governed the system both before and after 1968 . . . and the nature of the controversies that commenced in 1968 out of which the charges in this case arose."

Reuter

AMERICAN EXPRESS SURPRISE OFFER

Diversification is the key

BY STEWART FLEMING IN NEW YORK

AFTER A year during which investors and share analysts have been asking where American Express will look in the future for steady earnings growth, the ocmpany yesterday provided the answer in the shape of a $830m cash take-over for McGraw Hill.

The bid promises to be one of the most surprising of hte year but fits firmly into the pattern of the take-over wave in the U.S. of major companies expanding into unrelated fields by trying to acquire leaders in other sectors of the economy.

American Express, the third largest diversified financial company on Fortune's list with assets of $12.3bn, is already a leader in three of the main fields in which is operates.

It is, of course, best known for its international credit card and traveller's cheque business, which accounts for not far short of its total earnings of $262m in the year to December, 1977.

Less well known is its ownership of the Fireman's Fund, the sixth largest U.S. insurance and life assurance company with assets of $3.9bn and earnings last year of $128m.

Amex's other principal business is international banking—with its other interests it would not be permitted to operate a bank in the U.S.—a business which has been growing rapidly, but according to share analysts who followed the company, not particularly profitably. Thus in 1977 American Express International Banking Company (AEIBC) reported net income of only $28.1m on total assets of $4.5bn, a sharply lower rate of return than the $129m earned by its travel division on assets of $3.4bn. The logic of this comparison is that the credit card and traveller's cheque operation, which are profit centred in its travel division, are businesses which compete directly and around the world with services offered by the best known international banks such as Bank of America, Barclay's and Citicorp.

It is partly the mounting aggression of the giant banks in the consumer finance, credit card and traveller's cheque business which has led investors to question whether American Express can maintain its earnings growth in this vital area of its operations.

It is partly the mounting aggression of these giant banks in the consumer finance, credit card and traveller's cheque business which has led investors to question whether American Express can maintain its earnings growth in this vital area of its operations into the future. The big U.S. banks, Citicorp in particular, have been attacking this market partly through bank-related credit cards such as Mastercharge and Visa, and already have provoked some erosion of the profit margins in the market place. American Express is the brand leader in the field among the wealthier U.S. credit card holders, and hence is seen as the target for much of the emerging competition. The banks themselves make it clear that they are determined to break into American Express's market share, and some complain that the company has privileges denied to them.

These questions about the company's future growth have emerged at a time when there are also fears that the insurance underwriting cycle could turn down and begin to eat into this division's highly profitable business. The future growth of insurance operations is not questioned. Indeed, Firemen's Fund, after suffering with the rest of the industry through 1974 and 1975, has recovered strongly.

These, then, are some of the concerns which have been expressed about American Express, and they help to explain why its share price has performed sluggishly, even though this year the company will report its 37th successive year of profit growth. It closed yesterday at $31⅛, down from the $35⅞ at which it closed in December 1978. This is in spite of the 34.8 per cent increase in profits the company reported in 1977, and the 18 per cent earnings gain (from $193m to $228m) reported in the first nine months of 1978. The shares are currently selling on an earnings multiple of eight, slightly below the average for the Standard and Poor's 500 companies.

If the company succeeds with its offer for McGraw Hill, it would bring into the fold one of the most desirable publishing and communications properties in the U.S., and a business which many analysts feel operates in an industry which has a bright long-term future, information systems and communication. What is more, it is a business which has a record of stable earnings growth. McGraw Hill's profits have risen from $25.5m in 1973 to $51.4m in 1977.

McGraw Hill's interest range from book and educational publishing to financial services and broadcasting.

Last year, McGraw Hill's books and education division reported operating profits of $35.4m on revenues of $278.4m, and its publications division had profits of $34.8m on revenues of $196m. Its information systems business had profits of $24.4m on revenues of $96.7m, and its broadcasting division profits of $14.5m on sales of $37m.

Generale Occidentale in bid for Diamond Intl.

BY OUR NEW YORK STAFF

AN INTRIGUING indication that Sir James Goldsmith is planning further substantial investment in the U.S. emerged on Monday in the shape of a notice to acquire more than $15m of stock in Diamond International a forest products manufacturer.

Originating the purchase is Sir James' French company, Generale Occidentale whose U.S. subsidiary, Grand Union, completed the $133m acquisition of Colonial Stores, a southern grocery chain, in November. This takeover is now being challenged in the courts by the Federal Trade Commission.

News that a fresh investment is pending was broken by Diamond which had received notice that Generale Occidentale had made a preliminary filing with the FTC that it intended to acquire "in excess of $15m" of the company's stock.

Under the Hart-Scott-Rodino anti-trust improvements act, advance notice must be given by companies of a certain size of an intention to purchase 15 per cent or $15m of another company's stock.

There was no comment or clarification available from Grand Union late on Monday and Mr. William Koslo, president and chief executive of Diamond, claimed that he had "no way of knowing how much stock Generale Occidentale intends to buy, nor the method by which it may seek to acquire such shares."

Diamond has some 11.6m shares outstanding and Generale Occidentale or one of its subsidiaries could already have purchased up to 3.9 per cent without having to notify the authorities.

AMC and Renault unveil facts on production deal

BY JOHN WYLES IN NEW YORK

FINAL agreement on a possibly unique Franco-American co-operative agreement covering the production and marketing of passenger cars and utility vehicles is due to be unveiled today by American Motors and Renault, France's state-owned auto company.

Some nine months after they first announced their intention to negotiate the venture, AMC and Renault will publicly unwrap a deal which both hope will transform their currently slender fortunes in the U.S. car market.

On the one hand the agreement is expected to provide for the distribution of Renault's R5 small car through AMC's 2,000 U.S. dealers and for the production, probably starting next year, of the French company's R18 family saloon at AMC's Kenosha, Wisconsin, assembly plant. On the other, Renault is believed ready to undertake the marketing in Europe of AMC's jeep utility vehicle range.

Main interest in the agreement will focus on the extent to which Renault has been able to limit its financial commitment. Most analysts are at a loss to see how hard-pressed AMC can pay for the retooling of its Kenosha plant to facilitate production of the R18.

Despite a $36.7m profit in its fiscal year ending last September 30, the company is heavily in debt and barely capable of financing the development of its own new models. These, together with the Renault cars, are desperately needed to halt the steady decline in its passenger car sales, which now account for less than 2 per cent of deliveries from the U.S. car industry.

EUROBONDS

Strong demand for Amex International

BY FRANCIS GHILES

THE international bond markets were extremely quiet yesterday: prices were essentially unchanged in the dollar sector, except where floating rate notes were concerned. A number of FRNs chalked up increases of up to a quarter of a point.

In the Deutsche-Mark sector prices were steady, and dealers described trading volume as thin. Demand for the DM 70m issue for Amex International Banking Corporation has proved to be very good, thus allowing the lead manager, Dresdner Bank, to reduce the indicated coupon from 6 to 5¾ per cent. The maturity of this bullet issue is eight years with an indicated pricing at par.

The indicated terms of the DM 100m bullet issue for Nippon Telephone and Telegraph, which is being lead managed by Deutsche Bank, are identical to those of the Amex issue, save for the indicated pricing which is 99½.

Sainte-Foy, a city in the Quebec province of Canada, plans to float a SwFr 8m 10 year bond between January 12-19. Lead manager will be Banque Gutzwiller, Kurz, Bungener. The bonds are expected to carry a coupon of 4¾ per cent and be priced at par.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Closing prices on January 9

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Aga Akt. 9¼ 88	25	93⅞	94⅜	−0⅛	−0¼	10.23
Australia 9.45 83	175	98¼	98¾	−0⅛	−0¼	9.59
Australia 9⅛ 93	75	97⅜	98	−0⅛	−0⅛	9.65
Beatrice Foods 7⅞ 83	100	93	93⅞	0	−0¼	9.72
CECA 9¼ 87	50	98⅝	98⅞	0	−0⅛	9.67
CECA 9 85	25	96⅝	96⅞	0	−0⅛	9.63
CECA 9¼ 98	25	97⅞	98⅜	0	−0⅛	9.47
CECA 9¾ 84-99	50	95⅜	96	+0⅛	0	9.66
CNT 9 93	75	93⅞	94⅜	−0⅛	−0⅛	9.77
Canada 8 83	250	93⅜	94⅜	−0⅛	−0⅛	10.00
Canada 8.20 85	250	92⅞	93⅜	−0⅛	−0⅛	9.88
Canada 9 83	400	96⅞	97⅜	−0⅛	−0⅛	10.04
Canada 9¼ 98	350	97⅛	97⅝	−0⅛	−0⅛	9.77
Canadair 8⅞ 83	70	93⅜	94⅜	0	0	10.18
Dominion Bridge 9 86	25	93⅜	94⅛	+0⅛	+0⅛	10.19
EIB 9⅛ 98	125	95⅜	95⅞	−1	−0¼	9.87
Eksportfinans 9 88	50	95⅜	95⅞	0	−0¼	9.87
Finland 8¾ 83	100	95⅜	95⅞	−0¼	0	10.24
Finland 9 88	100	94⅜	94⅞	−0⅛	−0¼	10.11
Hospital O/S 9 83	25	96⅝	96⅞	−0⅛	−0⅛	9.98
Ital Finance 9⅛ 90	30	91⅜	91⅞	0	0	11.06
J. C. Penney 8⅞ 83	100	94⅜	95⅛	+0⅛	−0⅛	9.92
NZ Dev. Fin. 8¾ 83	20	93⅜	93⅞	−0⅛	0	10.04
NZ Dev. Fin. 8¾ 85	20	92⅞	93⅜	−0⅛	0	9.88
Nat. West. 9 86	75	95⅜	96⅛	−0⅛	−0⅛	9.69
Newfoundland 9¾ 90	50	95⅜	95⅞	0	−0⅛	9.83
Nord Inv. Bk. 8¾ 88	25	95⅜	95⅞	0	0	9.50
Norges Komm. 9¼ 98	75	95⅜	95⅞	−0⅛	−0⅛	9.87
Norsk Hydro 8¾ 94	50	95⅜	95⅞	0	−0⅛	9.78
Norway 7⅞ 83	250	92⅜	92⅞	−0⅛	−0⅛	10.08
Norway 8¾ 83	150	95⅜	95⅞	−0⅛	−0⅛	10.15
Occidental 8⅞ 85	75	91⅞	92⅜	0	−0⅛	10.64
Ont. Hydro 8¾ 88	125	93	93⅜	+0⅛	0	9.96
Quebec Hydro 9¼ 93	50	96⅜	97	0	−0⅛	9.92
Sweden 9¼ 98	125	96⅜	97⅛	−0⅛	−0⅛	9.82
UK 8⅞ 85	200	93⅞	94⅜	−0⅛	−0⅛	10.00
UK 8⅞ 93	150	96⅜	96⅞	−0⅛	−0⅛	9.84

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Argentina 6½ 88	150	95⅞	96⅜	0	+0⅛	7.06
Australia 6 88	250	100⅜	100⅞	−0⅛	−1⅛	5.91
Austria 5½ 90	150	94⅜	94⅞	+0⅛	−0⅛	6.41
Bankamerica 5¾ 90	150	93⅞	93⅞	−0⅛	−0⅛	5.82
Bq. Ext. Algerie 7¾ 85	100	96⅞	97⅜	+0⅛	+0⅛	7.78
Brazil 7⅞ 87	150	100⅞	101⅜	+0⅛	+0⅛	7.10
CECA 6 88	150	97	97⅜	0	+2⅛	6.38
Canada 4¾ 83	800	98⅜	98⅞	+0⅛	0	5.10
Ch. Manhttn. O/S 6 93	100	102⅞	103⅜	+0⅛	−0⅛	5.83
Commerzbank WW 3½	100	104⅜	105⅛	−0⅛	+0⅛	2.90
Commerzbank XW 3½	100	82⅞	82⅞	0	−0⅛	5.95
Copenhagen City 6 90	75	94⅜	94⅞	−0⅛	−0⅛	6.87
Council of Europe 6¼	100	97⅞	98⅜	−0⅛	−0⅛	6.37
Council of Europe 6¼	130	98⅜	98⅞	+0⅛	+0⅛	6.47
EIB 6 90	300	95⅞	96⅜	0	+1⅛	6.48
Finland 6 83	150	98⅞	99⅜	+0⅛	+0⅛	6.23
Hitachi Ship. 6¼ 83	50	100⅞	101⅜	0	−0⅛	5.48
IBJ 5 84	100	98⅞	99⅜	−0⅛	−0⅛	5.17
Indonesia 7 84	100	97½	98	0	0	7.49
Kobe, City of 5¾ 86	100	100⅜	100⅞	0	0	5.66
Mexico 6 85	200	97⅜	97⅞	−0⅛	−0⅛	6.47
Mitsubishi Petro. 6¼ 85	100	101⅜	101⅞	−0⅛	−0⅛	5.47
New Zealand 6¼ 87	200	99	99½	+0⅛	+0⅛	6.37
Nippon Steel 5¾ 85	100	101½	101⅞	−0½	−1⅛	5.47
Nordic Inv. Bk. 6¼ 86	60	98⅞	98⅞	−0⅛	+0⅛	6.55
Norges Komm. 6 90	100	97⅜	97⅞	0	−0⅛	6.31
Norway 4½ 83	250	97	97½	0	−0⅛	5.11
Norwegn. Ind. Bk. 6 90	125	97½	98	+0⅛	0	6.28
Occidental 6¾ 90	150	97½	98	0	−0⅛	7.03
OKB 6½ 88	100	101½	102	0	−0⅛	6.26
Petroleo Brazil 7 88	100	99⅜	99⅞	+0⅛	−0⅛	7.08
PK Banken 5¾ 88	100	93⅜	93⅞	−0⅛	−0⅛	6.69
Quebec, Prov. of 6 90	150	95⅜	95⅞	0	0	6.56
Ricoh 5⅛ 83	30	101⅜	101⅞	−0½	−0⅛	4.90
Spain 6 88	200	94½	95	0	0	6.77
Statoil 6 88	150	98	98½	−0⅛	−0⅛	6.24
UDS Group 5¾ 83	65	97⅜	98⅜	0	0	5.25
Union Bank Finn 6½ 88	50	97	97½	0	0	6.89
Venezuela 6½ 90	150	94½	95	0	0	7.17
World Bank 6¼ 88	400	98	98⅜	+0⅛	0	6.51

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Acesa 5¼ 88	40	105⅜	106	0	−0⅛	4.51
Amer. Exp. Int. 3½ 93	40	100⅜	100⅞	0	−0⅛	3.45
Arlberg Tunnel 4 93	90	101⅜	101⅞	0	0	3.87
Austria 3½ 93	100	98	98⅜	+0⅛	+0⅛	3.66
Brazil 4¼	100	98⅜	98⅞	−0⅛	−0⅛	4.46
Chase Manhattan 4 93	70	103⅞	104⅜	0	−0⅛	3.63
Council of Europe 4¼	100	102⅜	102⅞	+0⅛	−0⅛	4.00
Bankamerica 3¾ 93	80	101⅜	101⅞	+0⅛	−1⅛	3.59
BNDE 5 88	75	102	102⅜	0	−0⅛	4.72
Denmark 4⅞ 90	100	103⅞	104⅜	−0⅛	−1⅛	4.06
Denmark Mortgage Bk.	80	102⅜	102⅞	−0⅛	−0⅛	4.20
EIB 4¼ 93	100	101⅜	102	+0⅛	−1⅛	4.07
Euratom 4¼ 93	80	101⅜	101⅞	0	−1⅛	4.10
F. L. Smidth 4½ 89	25	102⅜	102⅞	0	−0⅛	4.20
Finland 4½ 93	30	103	103⅜	−0⅛	−0⅛	4.21
First Chicago 3⅞ 93	70	98½	98⅞	−0⅛	−1⅛	3.62
GZB 4½ 93	100	103½	103⅞	−0⅛	−0½	4.16
Hilti-Liechenstein 4⅛	25	104⅜	104⅞	−0⅛	−0⅛	3.82
ICI Fin. NV. 4¾ 93	100	105	105½	−0⅛	+0⅛	3.77
Malaysia 4¾ 90	80	100⅜	100⅞	+0⅛	+0⅛	4.71
Manitoba 4 93	100	102⅜	102⅞	−0⅛	−1	3.71
Newag 4 93	70	102⅜	102⅞	−0⅛	±0⅛	3.78
Norges Komm. 4¼ 90	100	102⅜	102⅞	+0⅛	−0⅛	3.86
OKB 4 93	80	101	101½	−0⅛	−0⅛	3.89
Oy Nokia 5 90	20	103½	104½	0	−1⅛	4.64
Safe 4¼ 93	30	102⅜	103⅛	+0⅛	−1	3.96
Sandvik 4 90	25	102	102⅜	+0⅛	−0½	3.77
Seas 4½ 89	15	104	104⅜	+0⅛	+1	3.96
Voest-Alpine 4½ 93	100	103⅜	103⅞	−0½	−0⅛	4.20
Voralberg Kraft 4 93	30	102⅜	102⅞	+0⅛	+0⅛	3.79
Vienna 4 93	100	101	101⅜	0	−0⅛	3.90
World Bank 4¼ 93	250	102⅜	102⅞	−0⅛	−0⅛	4.01

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bk. 5¾ 88	15	96⅞	97⅜	0	+0⅛	6.18
BFCE 6.4 90	30	95⅜	96⅛	+0⅛	+0⅛	7.02
Eurofima 6.3 90	10	96	97	0	0	6.86
Norway 6.7 83	25	100⅜	101⅜	−0⅛	+0⅛	5.44
Sweden 6.3 90	40	94⅜	95⅜	0	−0⅛	7.06

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Rank O/S Hold. 11½ A$	12	96⅛	96½	0	0	12.71
Auto Cote B. 7 93 EUA	16	88	89	−0⅛	−0⅛	7.51
Copenhagen 7 93 EUA	30	95⅜	96⅛	0	+0⅛	7.47
Finland Ind. 7 93 EUA	15	95⅜	96⅛	−0⅛	−0⅛	7.61
Komm. Inst. 7½ 93 EUA	15	97⅜	98⅛	0	0	7.71
Panama 8¼ 93 EUA	20	95⅜	96⅛	0	0	8.70
SDR France 7 93 EUA	22	96⅜	97⅛	0	0	7.34
Algemene Bk. 8¼ 83 Fl	75	93⅜	94⅛	−0⅛	+1⅛	7.99
Brazil 7½ 83 Fl	75	94⅜	94⅞	0	+0⅛	9.02
CFE Mexico 7¼ 83 Fl	75	86⅞	87⅜	0	0	8.48
EIB 7¾ 85 Fl	75	94⅜	95⅛	−0⅛	+0⅛	8.29
Neder. Midd. 8½ 83 Fl	75	93⅜	94⅛	0	−0⅛	8.20
New Zealand 6¾ 84 Fl	75	92⅞	93⅜	+0⅛	+0⅛	8.35
Norway 6½ 83 Fl	100	93⅜	93⅞	+0⅛	+0⅛	8.38
OKB 6½ 85 Fl	75	91	91½	+0⅛	+1	8.29
Elf Aquitaine 9¼ 88 FFr	150	98⅜	98⅞	−0⅛	−0⅛	9.87
EIB 9¼ 88 FFr	200	98⅜	99⅛	−0⅛	+0⅛	9.92
Unilever 10 85 FFr	100	101⅜	102	+0⅛	+0⅛	9.65
BAT 8 88 LuxFr	250	95⅜	96⅛	0	−0⅛	8.64
Bayer Lux. 8 86 LuxFr	250	95⅜	96⅛	0	0	8.70
EIB 7¾ 88 LuxFr	250	95⅜	96⅛	0	+0⅛	8.34
Finland I. F. 8 88 LuxFr	250	96⅜	96⅞	0	+0⅛	8.56
Norway 7¾ 83 LuxFr	250	96⅜	97⅛	0	−0⅛	8.55
Norges Km. 8 86 LuxFr	500	99	100	0	+2	8.08
Renault 7¾ 88 LuxFr	500	97⅜	98⅛	0	0	8.11
Solvay Fin. 8 85 LuxFr	500	100⅛	101⅛	0	+0⅛	7.77
Swedish Bk. 8 88 LuxFr	500	99⅜	100⅛	0	−0⅛	8.05
Gestetner BV 11 88 £	10	89⅞	90⅞	−0⅛	+0½	12.79
Whitbread 10½ 90 £	75	85⅛	85⅞	−0⅛	−0⅛	13.00

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
American Express 82	0¼	98⅛	98¾	20/4	10⅝	10.73
Arab Intl. Bk. M6.5 83	0¾	95⅜	95⅞	31/1	9⅛	9.77
BFG Fin. Co. M5.5 89	0⅛	98⅛	98⅜	12/1	—	—
Bco. El Salvador M8 83	1¾	96½	97	12/4	11.31	11.69
Bco. Nac. Argnt. M8 83	0¾	97⅞	97⅞	21/1	9⅜	9.60
Bank Handlowy M8 88	1¾	97⅜	97⅞	25/11	12.94	13.29
Bank of Tokyo M5½ 93	0½	96⅛	97	18/4	10½	10.85
Banque Worms M5¾ 85	0⅛	98	98⅛	15/6	12	12.21
Bq. E. d'Alg. M8.375 84	0⅜	96½	97⅛	9/2	9⅝	9.94
Bq. E. d'Alg. M7.5 85	0⅜	95⅜	95⅞	2/5	12⅝	13.37
Bq. Indo et Suez M5½	0⅜	98⅛	98⅜	26/1	9⅜	9.52
Bq. I. Afr. Occ. M6.5 83	0⅜	97⅛	97⅜	12/1	9⅜	9.60
CCCE M5.25 98	0⅛	97½	98	3/2	9.19	9.40
Ch. Man. O/S M5¼ 93	0⅛	97⅜	98⅛	27/1	9.31	9.50
Credit National M5¼ 88	0⅛	98	98⅛	11/1	9.19	9.35
Gotabanken M6 88	0⅛	97⅜	97⅞	15/5	12.31	12.63
Ind. Bk. Japan M5¼ 85	0⅛	98⅜	99⅛	7/6	12.35	12.47
Liubljanska M7.75 85	1	95⅜	96⅛	19/1	10⅛	10.68
LTCB Japan M5¼ 85	0⅛	98½	99	9/5	12.06	12.22
Midland Intl. M5½ 93	0¼	98	98½	20/1	9.44	9.61
Nat. West M5½ 90	0¼	97⅜	98⅛	21/6	12½	12.76
Nipp. Crdt. Bk. M5.5 85	0⅛	98⅜	99⅛	22/6	12.81	12.94
OKB M5¾ 88	0⅛	100⅛	100⅞	18/4	10.53	10.50
Offshore Mining 88	0¼	98⅜	99⅛	19/1	9.44	9.53
Privredna Banka M8 86	0⅞	95⅜	96⅛	22/6	13.44	13.98
Standard Chrt. M5.5 90	0⅛	97⅛	97⅜	10/2	8.94	9.18
Sundsvallsbnkn. M6 85	0⅛	96½	97	4/4	10.06	10.40
Utd. Overs's Bk. M6 83	0¼	98½	99	4/5	12.31	12.47

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Asics 5¾ 93	9/78	628	102⅛	102⅞	−0⅛	9.93
Baker Int. Fin. 5½ 93	1/79	34	103½	104⅛	−0⅛	8.50
Boots 6¾ 93	2/79	2.16	93⅞	94⅜	+0⅛	−2.26
Coca-Cola Bottling 6⅞	4/79	9	90⅜	91½	−0½	23.70
Ito-Yokado 5¾ 93	6/78	1473	131⅞	132⅜	+0⅛	0.78
Novo Industri 7 89	4/79	259	89⅜	90⅛	−0⅛	4.18
Texas Int. Air. 7½ 93	4/79	14.5	90½	91½	−0⅛	12.30
Thorn Int. Fin. 7 88	11/78	3.87	104⅜	105⅛	+1⅛	−0.84
Tyco Int. Fin. 8½ 88	9/78	21	100¼	101½	0	11.49
Tyco Int. Fin. 5 84	5/78	61.5	75½	76⅜	0	146.40
Asahi Optical 3½ DM	12/78	588	91⅞	92⅜	+0⅛	1.98
Casio Cp. 3½ 85 DM	11/78	841	101⅛	102⅛	−0⅛	6.50
Izumiya 3½ 86 DM	10/78	989	94⅜	95⅛	+0⅛	4.95
Jusco 3½ 86 DM	1/79	1270	92	93	+1½	12.02
Konishiroku 3½ 85 DM	1/79	612	97⅞	98⅞	+3½	8.29
Marudai Food 3½ DM	2/79	1033	98⅞	99⅞	+0⅛	13.98
Murata M. 3½ 86 DM	11/78	854	106	107	+4½	1.44
Nipp. Air. 3.5 88 DM	12/78	508	90⅜	91⅛	0	6.06
Nippon Shmpn. 3½ DM	8/78	738	112½	113⅜	−0⅛	6.86
Nippon Ysn. 3½ 85 DM	1/79	251	95⅜	96⅜	+0⅛	4.84
Nissan Diesl. 3½ 85 DM	2/79	477	94⅞	95⅞	+0⅛	6.57
Olymp. Opt. 3½ 85 DM	2/79	703	102⅜	103⅜	+2⅛	−1.83
Ricoh 3½ 86 DM	10/78	617	100⅜	101⅛	+0⅛	12.73
Sanyo Electric 3½ DM	11/78	295	90⅜	91⅛	+1⅛	5.78
Seiyu Strs. 3¾ 86 DM	9/78	1275	112	113	+0⅛	−1.70
Sharp Cp. 3½ 88 DM	2/79	487	95	96	+0⅛	−2.73
Stanley Elec. 3½ DM	11/78	623	93⅜	94⅜	−0⅛	13.35
Tokyo Elec. 3½ 87 DM	4/79	476	98	99	+0⅛	1.57
Trio Knwd. 3½ 86 DM	11/78	711	87⅜	88⅜	−0⅛	19.60

* No information available—previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. M=Minimum coupon. C.dte=Date next coupon becomes effective. Spread=Margin above six-month offered rate for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

Chrysler and Mitsubishi discuss vital changes in business lines

BY RICHARD C. HANSON IN TOKYO

THE TOP executives of Chrysler Corporation and Mitsubishi Motor Corporation yesterday began another round of talks in Palm Springs, California, which could lead to fundamental changes in their business ties.

One immediate problem facing Mitsubishi Motor, in which Chrysler has a 15 per cent stake, is how to diversify its car distribution system in the American market away from the Chrysler network.

The American manufacturer now handles all of Mitsubishi's U.S. sales. From 1980, however, changes in U.S. regulations will mean that Chrysler will have to concentrate on producing its own small-size vehicles to meet new Government fuel economy standards.

The regulation, effective from next year, excludes so-called "captive" imports in measuring the combined average fuel consumption of all models produced for required levels. Imports from Japanese makers like Mitsubishi (and in GM's case from Isuzu) have smaller engines and would have helped lower the fuel consumption average and meet the standard.

Mitsubishi exports about 120,000 cars annually to the U.S. for sale under Chrysler brand names. Internationally, Chrysler handles about 60 per cent of Mitsubishi exports.

On the other hand, Chrysler is apparently seeking Mitsubishi co-operation—*including financial*—in carrying out an ambitious, and expensive, retooling of its plants in order to meet the 1985 fuel economy standards.

It is considered highly unlikely that Mitsubishi (and its parent, Mitsubishi Heavy Industries) will agree to any substantial equity participation in Chrysler in the U.S. The Mitsubishi parent *itself is* somewhat tight for funds because of the continuing slump in shipbuilding and other heavy machinery sales.

Mitshubishi, meanwhile, is trying to reach an agreement on *an equity share* in Chrysler's Australian subsidiary, a matter which will have to be settled, probably, before any other financial ties can be considered. Mitsubishi would like to reach an agreement in the next few months.

Japanese Press reports have said that Chrysler has asked Mitsubishi informally to consider equity participation. There is also speculation on Chrysler selling its share in Mitsubishi.

The Japanese Press has also reported that Mr. Lee Iacocca, *Chrysler's new president*, and Mr. Tomio Kubo, the Mitsubishi president, will talk about changes in the payments for its exports.

Mitsubishi is believed to want a shortening of the period for settlement of export letters of credit from Chrysler. The outstanding amount owned—to Mitsubishi could total Y80bn *($410m), -according to Nihon* Kogyo Shimbun, a business daily. A Mitsubishi spokesman could not confirm any of the Press speculation.

Mitsubishi did say, however, that the impact of Chrysler's need to sell more of its own U.S.-made small cars is already showing up in American inventories.

In October, a meeting of executives from the two companies produced a contract under which Mitsubishi would supply 200,000 engines a year for five years in the early 1980s.

● Chrysler Corporation is planning to build an engine plant in Mexico, according *to a report* in a trade magazine, AP-DJ reports from Detroit. Machine tool suppliers of the third biggest motor manufacturer have been consulted about providing equipment for a Mexican plant, the magazine Metalworking News, said. Chrysler officials would neither confirm nor deny the report.

The possibility of a Mexican deal follows Chrysler's sale of its European operations to Peugeot-Citroen of France. The U.S. manufacturer will receive 1.8m shares of Peugeot-Citroen stock and $330m for the sale. The *money* will *help to* finance the Mexican plant, Metalworking News said.

Chrysler has two major manufacturing bases in Mexico, which sell and build four lines of cars and trucks.

Tandberg staff to raise capital for TV plant

By Fay Gjester in Oslo

EMPLOYEES AT one of the plants belonging to Tandberg, the Norwegian state-owned electronics concern, recently declared bankrupt, have agreed to form an interim company which will try to carry on production of Tandberg TV and radio sets.

Another interim company, formed with Government assistance, aims to continue production of Tandberg's profitable lines such as data equipment, language laboratories and possibly tape recorders. It believes, however, that continued production of Tandberg TV and radio sets is not feasible economically.

The employees' company, which will have the legal minimum share capital of NKr 50,000 ($10,000) will negotiate with Tandberg's receivers to buy the radio and TV factory. Mr. Tor Halvorsen, chairman of Norway's TUC, *said* that he *sympathised* with the workers' ambitions but it would be difficult for them to raise the capital they would need.

The TUC's legal department has helped Tandberg workers with advice about the formalities of setting up an interim company.

Split planned at Saunier-Duval

BY DAVID WHITE IN PARIS

REORGANISATION AT Saint-Gobain-Pont-a-Mousson, the *diversified French industrial* combine, is leading to the splitting-up of an engineering group, Saunier-Duval, in which it has a blocking interest.

Saunier-Duval, which was in financial difficulties up to a couple of *years ago, is to be* divided into two independent companies, one taking over its large electrical installation business and the other its heating and plumbing activities.

Saint - Gobain-Pont-a-Mousson holds 46.2 per cent of the capital alongside family and other interests. Its overall stake, it is thought, will not change under the plan, expected to take effect next year. It is envisaged that both the independent companies will be quoted on the Paris stock exchange.

Saunier-Duval has forecast 1978 results double the previous *year's*, with net profits rising from FFr 5.4m to over FFr 10m ($2.4m).

Combined turnover is expected to rise this year to about FFr 1.82bn ($432m) from FFr 1.62bn last year. Turnover *in electrical installations is fore*cast at FFr 1.07bn, or 8 per cent up on 1978, and sales of heating and related appliances at FFr 750m, to show the much larger growth rate of 19 per cent.

Saint - *Gobain-Pont-a-Mousson* said that the move fitted into its strategy of organising the various parts of the group by activity. The two sides of Saunier-Duval are distinct—the contracting business of electrical installations for factories and residential buildings, and the manufacturing activity connected with central heating and so on.

The same re-organisation process has already been seen within the Saint-Gobain-Pont-a-Mousson group proper, especially in the glassmaking activities of the former Saint-Gobain company. These are still held together under a holding unit, Saint-Gobain Industries, but this formula is to be dispensed with in the case of Saunier-Duval.

The move is not expected to imply thinning out of Saunier-*Duval's activity, since it is* in much better standing than in 1974 and 1975, when it reported heavy losses. However, it is possible that Saunier-Duval's current manufacturing activities will in future be closely linked with *similar operations within* the Pont-a-Mousson part of the group.

Adam Opel increases output

ADAM OPEL, AG, the West German subsidiary of General Motors, reports a 6 per cent increase in vehicle sales in West Germany to 520,000 units for 1978.

Total production of the company, which maintains plants in three European countries, rose 3.7 per cent to 959,202 units which represented "almost full" capacity utilisation, a Press meeting was told.

The company predcited that production would increase further to about 990,000 units in the current year or at almost "maximum" capacity. Price levels of the European models would rise as labour costs and the prices of raw materials *continue to climb.*

AP-DJ

Upturn after restructure at Neckermann Versand

BY GUY HAWTIN IN FRANKFURT

NECKERMANN VERSAND — the ailing Frankfurt store and mail order group acquired by *Karstadt some two years ago*— has produced 1978 figures which show a marked improvement on its past performance. While the substantial restructuring the group has undergone has reduced total sales, the underlying sales *picture* is *one of* palpable growth.

It will be some time before the group's profit and loss account is made public, but according to the interim statement on the year's performance real sales on the group's mail order operations, including its showrooms, rose by 6.4 per cent to DM 1.53bn ($832m), including Value Added Tax.

Under the Karstadt regime, the concern's loss-making department stores operations have been stripped away, with the bulk of them placed directly under Karstadt management. *Those situated in towns where* Karstadt already has a store in the near vicinity have been closed.

As a result, Neckermann Versand's overall figures for 1978 show a decline of 27 per cent on the sales front, with turnover totalling DM 1.69bn By the by, this, of course, has somewhat distorted Karstadt's figures for the year.

An impressive 19.2 per cent expansion rate was reported by Neckermann's travel subsidiary N-U-R Neckermann und Reisen, which in the 1977-78 business year saw business reach DM 1.07bn. Within this figure, the steepest growth rate was reported by its Neckermann Vliegreisen subsidiary, based in Amstelveen, Holland, which achieved a sales increase of 30.1 per cent to Fl80m.

Neckermann Eigenheim, its prefabricated housing operation, also had an excellent year. Sales rose 18.9 per cent on the *1977 performance to DM 438m.*

Higher issues of Israeli dollar bonds

By L. Daniel in Tel Aviv

SALES OF *Israeli Government* dollar-bonds totalled $370m in 1978, compared with $331.5m in 1977. This was the fourth successive year that cash receipts from the sale of Israel bonds and other Israel securities showed a substantial increase over the preceding year.

The rise in 1978 was the largest *achieved in any non-war* year. The proceeds from the bonds are one of the major sources for the expansion of Israeli industry and infrastructure.

Since the launching of the *Israel bond* drive in 1951, a total of close to $4.3bn of these bonds and similar securities have been sold. Many of the earlier series have meanwhile been retired on maturity. A proportion of the bonds is also converted into Israel currency by bondholders visiting Israel t finance their local expenses While the greater part of the issues go to the Jewish public, a growing proportion is being taken up by non-Jewish U.S. *institutional* investors.

EOE turnover drops sharply

AMSTERDAM — Turnover on the European Options Exchange fell sharply to 14,574 contracts in December from 24,041 in November.

Average daily turnover dropped to 767 contracts from 1,093 in November, returning to the levels seen in the exchange's first four months of operation. after average daily turnover of *over 1,000 contracts in August* to November inclusive.

The exchange said that the lower turnover reflected the fact that Dutch share prices showed little net change in December. although U.S. options were active.

Exchange turnover from its opening on April 4 to the end of December totalled 187,461 *contracts, of which the general* public's share, at 46 per cent, was higher than expected, the exchange said.

Reuter

Lindt chocolate group sees flat 1978 sales

BY JOHN WICKS IN ZURICH

THE SWISS chocolate company Lindt und Spruengli expects 1978 world turnover, including licence income, to show little change from the 1977 level of SwFr 408m ($249m).

In an interview with the Zurich newspaper Finanz und Wirtschaft, chairman Dr. *Rudolph R. Spruengli said that* sales in local currencies had risen by between 10 and 15 per cent, but this had been offset by the rise in the Swiss franc exchange rate.

The budgeted profit figure for the parent company had not quite been reached in 1978, according to Dr. Spruengli. However, the company would again *show "good results" and could* not complain at last year's profit level. Parent company sales are expected to have fallen slightly within the group total to about SwFr 142m from SwFr 145.9m, due to a drop in direct exports. On the home market, the rise of the Swiss franc has meant lower sales to tourists and in frontier areas.

● The Zurich-based Euro-Clear clearance system has announced an extension of its service to permit the *acceptance of all* outstanding Samurai yen bond issues for deposit and clearance.

Euro-Clear accepted the Kingdom of Denmark yen issue last August as a start to its Samurai service and has since expanded to include a number of other new and outstanding issues. Now, Euro-Clear participants will be able to deposit *any Samurai issue, in either* bearer or registered form, and to hold and clear Samurai bonds under normal Euro-Clear conditions and tariffs.

Genesco sells stake in French shoe company

PARIS — The Swiss fashion group Loew S.A. has agreed to acquire the 92 per cent interest in the French shoe company Charles Jourdan held by Genesco of the U.S. *The transaction*, which remains subject to French government approval is believed to involve about $20m.

Jourdan, which manufactures and distributes high quality footwear and accessories in Europe and the U.S., has annual sales of about FFr 100m.

The French authorities are known to have *linked* the acquisition of Jourdan to the takeover of Societe Souillac, another shoe company, in which *Jourdan's president, M. Roland* Jourdan and the French Industrial Development Institute (IDI) have an equal share

AP-DJ

Mainland prospects for China Light

HONG KONG — China Light and Power Co. may begin supplying electricity to Kwangtung province within the next few months, informed sources said.

The sources said that work is in progress on the installation of transmission lines between Hong Kong and China and scheduled for completion within three months.

A spokesman for China Light contacted by Reuters refused to discuss the matter.

The sources said that the amount of electricity to be supplied to Kwangtung and the capacity of the *link* initially would be relatively small.

They also said that China could supply Kowloon via the new link in the event of a power failure here.

Rumours that China Light would supply electricity to Kwangtung on completion of its new power station at Castle Peak in the New Territories have circulated for some time, but have not been confirmed by the company.

However, the sources said there have been a number of visits to Hong Kong by Chinese power authority officials for dis*cussions with China Light*, and China Light engineers may soon visit Canton.

China Light chairman, Sir Lawrence Kadoorie said in November that agreement had been reached for the company to obtain coal supplies from China for the new power station.

The station will comprise four 350MW dual coal/oil fired generating units to be commissioned between 1982 and 1986.

A second station housing four units of not less than 500 MW is also to be built at the site. Work is already in progress on *land reclamation* for the power stations.

The company also announced last month a contract for construction of a 400 kV transmission network to carry supplies from the new stations, in four phases to coincide with the commissioning of the generating units.

The new power stations are to be operated by Kowloon Electricity Supply Company, a company owned jointly by China Light and the Exxon Corporation subsidiary, Eastern Energy Ltd.

Reuter

Companies and Markets

CURRENCIES, MONEY and GOLD

Dollar improves towards close

Trading was very quiet in the foreign exchange market yesterday, until a sudden rise by the dollar towards the London close. There was no apparent reason behind the late demand for the U.S. currency, but market sources were suspicious that it may have been due to intervention by the Federal Reserve in New York. Earlier in the day there was no sign of support for

the dollar by European central banks. The lowest point touched against the D-mark was DM 1.8360, but the dollar rose to DM 1.8520, before closing at DM 1.8495, compared with DM 1.8410 on Monday. The U.S. currency rose to Sw Fr 1.6700 in terms of the Swiss franc, and finished at Sw Fr 1.6655, compared with Sw Fr 1.8402½ previously. The best level seen against the Japanese yen was Y196.70, before the dollar closed at Y196.50, compared with Y195.60.

The dollar's trade-weighted depreciation, on Morgan Guaranty figures, narrowed to 9.1 per cent at noon in New York, from 9.4 per cent on Monday. Sterling's trade-weighted index, as calculated by the Bank of England, was unchanged at 63.8, after standing at 63.7 at noon and 63.8 in the morning.

The pound opened at $2.0230-2.0240, and touched a high point of $2.0240-2.0250. It traded around a general level of $2.0200 for most of the day but fell to $2.0150-2.0160 as the dollar rose in the afternoon. Sterling closed at $2.0185-2.0195, a fall of 65 points on the day.

FRANKFURT—The Bundesbank did not intervene when the dollar was fixed at DM 1.8386 yesterday, compared with DM 1.8370 on Monday. The fixing was below the opening level of DM 1.8435, and trading was light, with no central bank intervention seen during the morning.

ZURICH—The dollar lost ground against major European currencies and the Japanese yen in dull early trading. Volume was small, with no indication of intervention by central banks. By mid-morning the U.S. currency was quoted at SwFr 1.6430 against the Swiss franc, compared with SwFr 1.6465 earlier in the day.

MILAN—The lira was firm against the dollar and major European currencies at the fixing. The U.S. currency was fixed at L832.45, compared with L832.40 on Monday, and L833.25 in early trading yesterday. The D-mark was fixed slightly lower, at L452.48, against L452.85 on Monday. Rates showed little movement pending an announcement about the start of the European Monetary System. About half the $12.3m traded officially were sold by the Bank of Italy, but the central bank was also reported to have purchased dollars through unofficial channels.

BRUSSELS—The French franc lost ground on reports that the French President and German Chancellor were hopeful that the European Monetary System could start by February 1. The dollar rose to FFr 4.2280 against the French franc during the morning, from FFr 4.2175 late Monday, but other currencies showed little change.

AMSTERDAM—There was a slight firming of the dollar at the fixing. It rose to Fl 1.9855, from Fl 1.9845 on Monday.

TOKYO—The dollar was slightly firmer, closing at Y195.60, compared with Y195.30 against the yen on Monday. It opened at Y195.30, and traded around Y195.70 for most of the afternoon.

THE POUND SPOT

Jan. 9	Ba'k rate %	Day's Spread	Close
U.S. $	9½	2.0150-2.0200	2.0185-2.0195
Canadian $	11¼	2.3980-2.4070	2.3990-2.4000
Guilder	6½	4.01½-4.05	4.03½-4.04½
Belgian F	6	58.50-58.90	58.75-58.85
Danish K	8	10.50-10.55	10.50½-10.51½
D mark	3	3.71½-3.76	3.73½-3.74½
Port. Esc.	18	95.50-94.60	93.75-94.25
Span. Pes.	8	141.20-141.60	141.25-141.35
Lira	10½	1,679-1,686	1,679½-1,680½
Nrwgn. K.	7	10.15½-10.18½	10.15½-10.14½
French Fr.	9½	8.52-8.55½	8.53½-8.54½
Swedish Kr	6½	8.74-8.79	8.74½-8.75½
Yen	3½	392-402	396-398
Austria Sch	4½	27.20-27.35	27.20-27.25
Swiss Fr.	1	3.31½-3.38½	3.35½-3.36½

Belgium rate is for convertible francs. Financial franc 59.60-59.70.

FORWARD AGAINST £

Jan. 9	One month	% p.a.	Three months	% p.a.
U.S. $	0.28-0.18c pm	1.37	0.70-0.60c pm	1.29
Canadian $	0.40-0.30c pm	1.75	1.20-1.10c pm	1.92
Guilder	1c pm-par	1.49	4-3c pm	3.47
Belgian F	20-10c pm	3.06	60-50c pm	-3.74
Danish K	par-2ore dis	-1.16	2-4 ore dis	-1.16
D mark	3⅝-2⅝pf pm	9.23	9-8 pf pm	9.10
Port. Esc.	50-100c dis	-9.57	120-280c dis	-8.51
Span. Pes.	50-100c pm	-5.52	208-300c dis	-7.08
Lira	par-2 lire dis	-0.71	4-7 lire dis	0.83
Nrwgn. K.	1¾ore pm-dis	0.89	4½-2½ ore pm	1.18
French Fr.	3-2c pm	3.51	8½-7½c pm	3.25
Swedish Kr	4-2ore pm	4.11	10½-8½ ore pm	5.86
Yen	4.10-3.80y pm	11.94	11.60-11.30y pm	11.54
Austria Sch	17-7gro pm	5.29	45-35gro pm	5.88
Swiss Fr.	5½-2½c pm	12.05	10½-9½c pm	12.20

Six-month forward dollar 1.20-1.10c pm, 12-month 2.45-2.35c pm.

THE DOLLAR SPOT AND FORWARD

Jan. 9	Day's spread	Close	One month	% p.a.	Three months	% p.a.
		† U.S. cents per Canadian $.				
Canada†	84.02-84.15	84.12-84.15	0.01-0.04c pm	0.45	0.10-0.13c pm	0.69
Nethlnd.	1.9848-1.9890	1.9855-1.9875	0.20-0.15c pm	0.96	1.21-1.16c pm	2.36
Belgium	28.98-29.07	29.05-29.07	5-3½c pm	1.62	20-18c pm	2.79
Denmark	5.0985-5.1175	5.0985-5.1010	1.10-1.60ore dis	-3.09	3-3.50ore dis	-2.62
W. Ger.	1.8385-1.8485	1.8470-1.8485	1.32-1.22pf pm	7.61	3.68-3.58pf pm	[illegible]
Portugal	45.85-46.60	45.55-45.75	28-38c dis	-8.67	60-130c dis	[illegible]
Spain	69.89-70.05	69.95-70.05	25-35c dis	-4.68	85-100c dis	-5.29
Italy	832.30-833.50	832.30-832.80	0.60-1.10lire dis	-1.84	2.35-3.10lire dis	-1.59
Norway	5.0190-5.0250	5.0150-5.0170	0.55-0.15ore pm	0.84	3.05-2.80c pm	2.79
France	4.2200-4.2350	4.2300-4.2350	0.90-0.70c pm	2.32	1.00-0.60ore pm	0.64
Sweden	4.3285-4.3320	4.3290-4.3300	1.25-1.05ore pm	3.40	3.40-3.20ore pm	3.23
Japan	195.50-196.80	196.60-196.80	1.83-1.73y pm	10.03	5.15-5.05y pm	10.58
Austria	13.46½-13.49½	13.47½-13.48½	6-5gr pm	4.45	17.50-15gro pm	4.82
Switz.	1.6417-1.6660	1.6540-1.6560	1.60-1.56c pm	10.51	4.62-4.58c pm	11.23

CURRENCY RATES

January 8	Special Drawing Rights	European Unit of Account
Sterling	0.642485	0.674593
U.S. dollar	1.29827	1.36470
Canadian dollar	1.54157	1.62237
Austrian schilling	17.4650	18.4216
Belgian franc	37.6238	39.5605
Danish krone	6.61663	6.96476
Deutsche Mark	2.38492	2.51310
Guilder	2.57642	2.71466
French franc	5.47221	5.76904
Lira	1080.74	1137.14
Yen	253.812	267.073
Norwegian krone	6.50433	6.85789
Peseta	90.7828	95.4172
Swedish krona	5.60957	5.90943
Swiss franc	—	2.23996

CURRENCY MOVEMENTS

DATE	Bank of England Index	Morgan Guaranty changes %
Sterling	63.81	-40.5
U.S. dollar	83.38	-9.1
Canadian dollar	78.79	-18.5
Austrian schilling	147.12	+20.1
Belgian franc	114.60	+15.1
Danish krone	116.88	+7.7
Deutsche Mark	150.42	+41.8
Swiss franc	196.42	+82.2
Guilder	124.93	+20.7
French franc	100.02	-5.8
Lira	54.26	-49.1
Yen	147.05	+45.4

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

OTHER MARKETS

Jan. 9	£	$		£ Note Rates
Argentina Peso	2,050-2,070	1015-1,025	Austria	26¼-27½
Australia Dollar	1.7635-1.7685	0.8730-0.8740	Belgium	59¼-60¼
Brazil Cruzeiro	41.67-42.67	20.65-21.15	Denmark	10.28-10.38
Finland Markka	7.8650-7.8750	3.9400-3.9420	France	8.48-8.58
Greek Drachma	72.098-75.859	35.70-36.60	Germany	3.67-3.77
Hong Kong Dollar	9.57-9.60	4.7410-4.7450	Italy	1,650-1,700
Iran Rial	151.40-159.50	75.00-79.00	Japan	397-402
Kuwait Dinar (KD)	0.546-0.556	0.2729-0.2751	Netherlands	3.98-4.08
Luxembourg Frc.	58.75-58.85	29.12-29.15	Norway	10.10-10.20
Malaysia Dollar	4.4650-4.4800	2.2090-2.2110	Portugal	92-98
New Zealand Dlr.	1.8967-1.9037	0.9380-0.9410	Spain	144½-148½
Saudi Arab. Riyal	6.66-6.76	3.3190-3.3210	Switzerland	3.27-3.37
Singapore Dollar	4.38-4.41	2.1690-2.1700	United States	2.0200-2.0300
Sth. African Rand	1.7530-1.7630	0.8680-0.8730	Yugoslavia	41-44

Rates given for Argentina is free rate.

EXCHANGE CROSS RATES

Jan. 9	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'r	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.019	3.738	397.0	8.540	3.360	4.038	1680.	2.400	58.80
U.S. Dollar	0.495	1.	1.851	196.6	4.230	1.664	2.000	832.2	1.188	29.12
Deutsche mark	0.268	0.540	1.	106.2	2.285	0.899	1.080	449.6	0.642	15.75
Japanese Yen 1,000	2.519	5.086	9.414	1000.	21.51	8.463	10.17	4232.	6.044	14.81
French Franc 10	1.171	2.364	4.376	464.9	10.	3.934	4.728	1968.	2.810	68.85
Swiss Franc	0.298	0.601	1.112	118.2	2.542	1.	1.202	500.1	0.714	17.50
Dutch Guilder	0.248	0.500	0.925	98.33	2.115	0.832	1.	416.2	0.594	14.56
Italian Lira 1,000	0.595	1.202	2.224	236.3	5.083	2.000	2.403	1000.	1.428	34.99
Canadian Dollar	0.417	0.841	1.558	165.5	3.559	1.400	1.683	700.3	1.	24.51
Belgian Franc 100	1.701	3.434	6.356	675.2	14.52	5.714	6.866	2856.	4.081	100.

EURO-CURRENCY INTEREST RATES

Jan. 9	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
Short term	10½-11	10-10¼	7½-8¼	10¼-10½	—1/16-1/16	2¼-2⅞	6¾-7	9-11	—	—1⅛-1/16
7 day's notice	11⅛-11⅜	10⅛-10⅜	7⅛-8⅛	9⅛-9¾	—1/16-1/16	3⅜-2⅞	7⅝-8¼	10-12	10⅛-10⅜	⅛-1⅜
Month	11⅜-11⅝	10⅛-10⅝	9⅞-10¼	9⅛-9⅝	—1/16-1/16	3-3⅛	8-8½	13-14	10⅝-10¾	1/16-1⅛
Three months	11⅞-11⅞	11⅛-11⅝	10⅛-10⅜	8⅞-9⅛	par-⅛	3¼-3⅜	8¼-8½	13½-14½	11⅛-11⅜	⅛-1⅛
Six months	12⅛-12⅜	12-12¼	10⅝-11	8½-8¾	⅛-¼	3½-3⅝	8⅝-8⅞	14-15	12⅛-12⅜	1⅛-2¼
One year	12-12⅛	11⅞-12⅛	10⅝-11	8¼-8⅝	⅛-⅛	3¾-3⅞	9¾-10	14½-15½	11⅞-12	2⅛-2⅜

The following nominal rates were quoted for London dollar certificates of deposit: one month 10.60-10.70 per cent; three months 11.20-11.30 per cent; six months 11.70-11.80 per cent; one year 11.55-11.65 per cent.

Long-term Eurodollar deposits: two years 11-11⅛ per cent; three years 10¾-10⅞ per cent; four years 10⅝-10⅞ per cent; five years 10⅝-10⅞ per cent; nominal closing rates. Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two-day call for guilders and Swiss francs. Asian rates are closing rates in Singapore.

INTERNATIONAL MONEY MARKET

Fed funds steady

Federal funds were trading at 10-10⅛ per cent in New York, little changed from previously. Monday's overnight reverse repurchase agreements made by the Fed were largely technical and conditions yesterday were relatively stable. Thirteen-week Treasury bills were quoted at 9.26 per cent and 26-week bills stood at 9.46 per cent.

FRANKFURT—Interest rates were firmer where changed, with call money at 2.95-3.05 per cent compared with 2.9-3.0 per cent on Monday and one-month money at 3.5-3.6 per cent against 3.45-3.55 per cent. The three-month rate remained at 3.6-3.7 per cent while six-month money rose from 3.7-3.8 per cent to 3.8-3.9 per cent. Twelve-month money was quoted at 4.1-4.3 per cent from 3.95-4.05 per cent.

PARIS—Money rates showed very little change throughout with call-money unchanged at 6⅝ per cent and one three-month and six-month at 6½-6⅝ per cent. The 12-month rate stood at 7⅛-7¼ per cent unchanged from previously.

AMSTERDAM—Call money fell to 10⅛-10⅜ per cent from 10⅜-10⅝ per cent and one-month money was quoted at 10½-10¾ per cent against 10⅛-10⅜ per cent. The three-month stood unchanged at 10-10¼ per cent, but 12-month money rose to 9-9½ per cent, compared with 8¾-9¼ per cent.

BRUSSELS—Deposit rates for the Belgian franc were lower in the short end but unchanged in the longer term. One-month deposits fell to 9¼-9½ per cent from 9½-9¾ per cent and three-month deposits declined from 9½-9¾ per cent to 9¼-9½ per cent. The six- and 12-month rates were unchanged from Monday at 8¾-9 per cent.

Following Monday's cut in one- and two-month Treasury certificates, the Belgian National Bank yesterday lowered the rate again on one-month certificates to 9 per cent from 9¼ per cent. The three-month rate remained unchanged at 9¼ per cent.

HONG KONG—Conditions in the money market were easy with call money at 11⅛ per cent and overnight business dealt at 8¼ per cent.

UK MONEY MARKET

Very large assistance

Bank of England Minimum Lending Rate 12½ per cent (since November 9, 1978)

Day-to-Day credit was in short supply in the London money market yesterday and the authorities intervened by buying a very large amount of Treasury bills all direct from the discount houses. The amount of help may have been slightly overdone, which would tie in with an expected shortage in today's market. Discount houses were paying between 10⅞ per cent and 11 per cent for secured call loans, although closing balances were taken at 10½ per cent at the close.

The market was faced with a fairly large excess of revenue transfers to the Exchequer over Government disbursements and modest sales of gilts. Banks also brought forward balances slightly below target. On the other hand there was a modest amount of Treasury bills maturing outside official hands together with a slight fall in the note circulation.

In the interbank market, overnight loans opened at 11-11½ per cent and rose on the forecast to 11⅞-11½ per cent. Rates then slowly eased to 10¾-11 per cent and fluctuated between 10⅞ per cent and 11½ per cent before closing at 9½-10 per cent.

Rates in the table below are nominal in some cases.

LONDON MONEY RATES

Jan. 9 1979	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills ⊕	Eligible Bank Bills ⊕	Fine Trade Bills ⊕
Overnight	—	9½-11½	11⅛-11⅛	—	—	11¼	10½-11¼	—	—	—
2 days notice	—	—	—	—	—	11⅝	—	—	—	—
7 days or...	—	—	—	—	—	—	[illegible]	—	—	—
7 days notice	—	[illegible]	[illegible]	—	—	—	—	—	—	—
One month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	12¼
Two months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	[illegible]	[illegible]	12⅛
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	[illegible]	[illegible]	12⅝
Six months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	13
Nine months	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	—	—	—
One year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	—	—
Two years	—	—	[illegible]	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days' fixed. Long-term local authority mortgage rates nominally three years 12¼-12½ per cent; four years 12¾-12⅞ per cent; five years 12⅞-13 per cent. ⊕Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 11¾-12 per cent; four-month trade bills 12⅝ per cent.

Approximate selling rates for one-month Treasury bills 11⅝ per cent; two-month 11⅝-11⅞ per cent; three-month 11⅝-11⅞ per cent. Approximate selling rate for one-month bank bills 11⅝-11⅞ per cent; two-month 11⅞ per cent; and three-month 11⅞ per cent; one-month trade bills 12⅝ per cent; two-month 12⅝ per cent; and also three-month 12⅝ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 12½ per cent from January 1, 1979. Clearing Bank Deposit Rates for small sums at seven days' notice 10 per cent. Clearing Bank Rates for lending 12½ per cent. Treasury Bills: Average tender rates of discount 11.5965 per cent.

GOLD

Late fall

Gold fell $½ to $222½-223¼ in the London bullion market yesterday. The metal opened at $224½-225, and was fixed at $224 in the morning and afternoon. It touched a high point of $224½-225½ and trading was generally quiet. The decline in late trading followed the weakness of trading in New York, as the dollar improved.

In Paris the 12½ kilo gold bar was fixed at FFr 30,500 per kilo ($224.98 per ounce) in the afternoon, compared with FFr 30,573 ($224.96) in the morning, and FFr 30,375 ($224.14) Monday afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM 13,290 per kilo ($224.66 per ounce), compared with DM 13,215 ($223.69) previously.

	Jan. 9	Jan. 8
Gold Bullion (a fine ounce)		
Close	$222½-223¼	$225-225½
Opening	$224½-225	$225-226
Morning fixing	$224.00 (£110.758)	$224.10 (£110.850)
Afternoon fixing	$224.00 (£110.872)	$225.10 (£110.211)
Gold Coins, domestically		
Krugerrand	$234-236 (£116-117)	$234-236 (£116-117)
New Sovereigns	$64-66 (£31½-32½)	$64-66 (£31½-32½)
Old Sovereigns	$65½-65½ (£31½-32½)	$65½-65½ (£31½-32½)
Gold Coins, internationally		
Krugerrand	$230-232 (£114-115)	$229-231 (£113-114)
New Sovereigns	$58½-60½ (£29-30)	$58½-60½ (£29-30)
Old Sovereigns	$63½-65½ (£31½-32½)	$65½-66 (£31½-32½)
$20 Eagles	$295-300	$295-300
$10 Eagles	$165-170	$164-169
$5 Eagles	$112-117	$109-114

MONEY RATES

NEW YORK	
Prime Rates	11.75
Fed Funds	10.125
Treasury Bills (13-week)	9.25
Treasury Bills (26-week)	9.46
GERMANY	
Discount Rate	3
Overnight	3
One month	3.55
Three months	3.65
Six months	3.85
FRANCE	
Discount Rate	9.5
Overnight	6.875
One month	6.5625
Three months	6.5625
Six months	6.5625
JAPAN	
Discount Rate	3.5
Call (Unconditional)	4.75
Bills Discount Rate	4.625

Early buying lifts Wall St. five points

INVESTMENT DOLLAR PREMIUM

$2.60 to £1—82¾% (83½%)
Effective $2.0190 41¾% (43%)

AFTER MONDAY'S modest setback on profit-taking, Wall Street reverted to a firmer course in increased early activity yesterday.

The Dow Jones Industrial Average improved 4.93 to 833.07 at 1 pm, while the NYSE All Common Index gained 30 cents to $55.54 and advances outnumbered

Closing prices and market reports were not available *for this edition.*

losses by better than a two-to-one margin. Turnover amounted to 18.99m shares, against Monday's 1 pm figure of 14.76m.

Analysts said investors continue to worry about rising interest rates, inflation and political turmoil in Iran, but added that the market's partial recovery late on Monday despite the broad assortment of negative factors attracted some buying yesterday morning.

Diamond International jumped 4¾ to $38½. Generale Occidentale S.A., of France, wants to buy more than $15m-worth of *Diamond International stock.*

Wang Laboratories added 1½ at $31 on forecasting an 82 per cent rise in fiscal second-quarter profits.

Measurex announced a sharp rise in fourth-quarter net profits and climbed 1¾ to $36¾.

Core Laboratories added ⅝ at $17¾. It is to split its stock three-for-two and raise the cash dividend. **Rohr Industries**, which has won a $35m order from Boeing, put on ¾ to $13¾.

American Express, *down ¾ at $31¼*, has proposed to buy McGraw-Hill for cash and stock worth $34 a share. **McGraw-Hill**, which did not trade, closed on *Monday at $25¼*.

Mellon National, the first large bank to report 1978 profits, eased ¼ to $26¾ bid in over-the-counter trading despite improved results.

THE AMERICAN S.E. Market Value Index put on 0.71 to 158.16 at 1 pm. Volume 1.80m shares (1.69m).

Resorts International "A," *the* Amex volume leader, were unchanged at $31¼. Hearings are under way in Atlantic City on Resorts' request for a *permanent gaming license.*

Sam P. Wallace picked up ¼ to $8¾. It is seeking a court order restraining Ghaith Pharaon and a company he controls from *buying its shares.*

Canada

Markets showed fresh strength yesterday morning in very active *dealings. The Toronto* Composite Index gained 2.9 at 1,348.8 at noon, while Metals and Minerals advanced 11.5 to 1,174.6 on index. Golds gained 4.2 to 1,456.2, Banks 2.00 to 317.06 and Papers 0.99 to 164.23, but Utilities receded 0.93 to 201.41.

Bell Canada, which said it intends a common share issue in *mid-February*, fell C$1 to C$62¾.

Canadian Cablesystems "A" were up ⅛ to C$18. The Canadian Government has approved transfer of control of the company *to Rogers Telecommunications.*

Tokyo

The market put on a mixed *performance again in heavy* trading.

The Nikkei-Dow Jones Average edged up 4.21 more to 6,081.09, but the Tokyo S.E. index slipped back a further 0.30 to 457.08. Volume expanded to 580m shares from Monday's level of 450m.

Chemicals, Steels, Machines *and Cameras strengthened on* active buying mainly by institutional investors but recently-selected Banks and Constructions were lower on profit-taking.

Shinetsu Chemical rose Y14 to Y243, **Mitsubishi Petrochemical** Y24 to Y259, **Ikegai Iron** Y7 to Y296, **Mitsubishi Electric** Y6 to Y200, **Victor of Japan** Y70 to Y1,130, ***Hitachi Koki*** Y31 *to* Y970, **Nissin Food Products** Y30 to Y1,350 and **Tokyo Steel** Y30 to Y835.

On the other hand, **Ashikaga Bank** declined Y60 to Y2,140, **Mochida Pharmaceutical** Y40 to Y1,360, **Sanwa Bank** Y32 to Y322, **Arabian Oil** Y30 to Y1,800 and **Tokyo Yogyo** Y28 to Y480.

Germany

After Monday's buoyancy on the agreement reached to settle the iron and steel workers' strike, shares made a rather mixed showing yesterday in moderate activity but with a bias to higher levels.

Motors continued to rise, with **Volkswagen** adding DM2.70 and **BMW** DM 0.80.

Alliance Versicherung, in Insurances, were notable for an advance of DM 7.50 to DM 505.50, while Stores had **Neckermann** DM3 firmer.

Elsewhere, **Krupp** gained DM 4.50 and **Degussa** DM 2.50, but **Deutsche Bank** lost DM 1.10 and **MAN** DM 2.00.

Paris

Mainly small irregular movements were recorded after an idle trading session.

Portfolios, Constructions, Mechanicals, Stores, Electricals and Utilities were firmer-inclined *at the close, but* Banks, Foods, Motors, Hotels, Metals and Oils tended easier.

Generale de Fonderie led gaining issues putting on 10 per cent, while **UFB**, ***CFDE***, ***Carrefour***, **Dumez**, **Prenatal**, **BIC** and **Jeumont-Schneider** also moved ahead.

Lower at the close were **Codetel**, **Chargeurs Reunis**, **Sias**, **Peugeot-Citroen**, **Perrier**, **Creusot-Loire**, **Michelin**, **Esso** and **Applications des Gaz**.

Australia

Most leading Minings and Industrials encountered profit-taking and closed on an easier *note, but second-ranking* Industrials were firmer inclined.

Diamond exploration leader CRA, after rising to A$3.60, retreated to A$3.50 for a net loss *of 2 cents on disappointment with* the December quarterly report on its Ashton diamond venture. **Ashton Mining**, a partner in the venture, receded 3 cents to 90 cents.

Elsewhere among diamond seekers, **Otter Exploration** shed 3 cents to 32 cents and **Spargos Exploration** 2 cents to 30 cents.

Uraniums mainly lost ground, although **Peko-Wallsend** advanced 8 cents to A$5.72.

Coal Mining issues were a shade easier, while Oils were mixed.

On the industrial posts, the better groups were Food and Drink stocks, Textiles, Engineerings and Pastorals. Properties eased, and Banks drifted down for the second successive session.

BHP receded 4 cents to A$9.26 and **CSR** 7 cents to A$3.25, but **Tooths** gained 6 cents more to A$1.83 and **ANI** added 10 cents at A$1.90, while **G. J. Coles**, in Stores, put on 4 cents to A$2.24.

Johannesburg

Slightly higher Bullion indications left Gold shares closing modestly firmer for choice.

Mining Financials were steady in quiet trading, although **Gold Fields** gained 50 cents to R27.000 ahead of quarterly results, due today.

Diamond leader **De Beers** picked up 10 cents to R8.80 awaiting **CSO** sales figures expected later in the day.

Among platinums, **Rusplat** rose 6 cents to R2.33 and **Lydplat** advanced 11 cents more to R1.63. Coppers were mixed, while Colliery issues, after recent strength, held steady.

The Industrial market was firmer, helped by some institutional interest.

Hong Kong

Stocks displayed a firmer tendency in moderately active trading, leaving the Hang Seng index 3.23 harder at 507.75.

Properties improved after the Government sold two non-industrial land sites for a total of HK$277m. **Hong Kong Land** put on 10 cents to HK$7.70 and **Cheung Kong** 15 cents to HK$8.75.

Among the leaders, **Hongkong Bank** were steady at HK$17.80, but **Jardine Matheson** lost 10 cents against the trend to HK$11.70.

Hang Seng Bank featured, rising HK$4.00 to HK$187.00 ahead of results, due next month.

Switzerland

Share prices gained ground over a broad front in increased activity.

One dealer said many investors are moving from bonds into shares because of the better yields. Yields of bonds were at 3½ per cent while those of some Swiss shares amounted to 4.0 or even 5.5 per cent.

Aluminium improved 20 to SwFr 1,195, **Nestle** 30 to SwFr 3,220, **Sandoz** 25 to SwFr 3,850 and *Sulzer Registered* 35 to SwFr 2,710.

Brussels

Market made further headway in a moderate business.

Electrobel climbed 40 to BFr 6,720, **Hoboken** 90 to BFr 2,600, **Petrofina** 45 to BFr 3,465 and **UCB** 16 to BFr 1,192.

NOTES: Overseas prices shown below exclude $ premium. Belgian dividends are after withholding tax.
◆ DM 50 denom. unless otherwise stated, yields based on net dividends plus tax.
♥ Pta 500 denom. unless otherwise stated.
♣ DKr 100 denom. unless otherwise stated.
● SwFr 500 denom. and Bearer shares unless otherwise stated. ¶ Y50 denom. unless otherwise stated. § Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m% tax free. n Francs including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. Δ Interim since increased.

NEW YORK

Stock	Jan. 8	Jan. 5
Abbott Labs.	36½	35½
AM International	23⅝	23⅝
Aetna Life & Cas.	40⅜	40
Airproducts	25⅝	25¾
Alcan Aluminium	34⅝	34¾
Alcoa	48⅞	48½
Alleg. Ludlum	17	16⅝
Allegheny Power	18½	18⅛

Stock	Jan. 8	Jan. 5
Corning Glass	55	55¾
CPC Int'rn'tional	51⅛	51⅛
Crane	26⅛	26
Crocker Nat'l	25⅞	26
Crown Zellerb'h.	32¼	33¼
Cummins Engine	34	33⅛
Curtiss Wright	15	14⅛
Dana	30	29⅞
Dart Industries	41⅛	41⅜

Stock	Jan. 8	Jan. 5
Johns Manville	24⅛	24¼
Johnson Johnson	75⅜	75⅜
Johnson Control	26⅛	26¼
Joy Manufacturg	30⅜	29⅞
K. Mar Corp.	23⅜	23½
Kaiser Alumini'm	17⅛	17¾
Kaiser Industries	3	2
Kaiser Steel	20⅜	20⅜
Kay	13	13¼
Kennecott	21⅛	20¾

Stock	Jan. 8	Jan. 5
Revlon	52⅛	52⅞
Reynolds Metals	35¾	35½
Reynolds R.J.	56¾	56⅝
Rich'son Merrell	23⅞	23⅞
Rockwell Inter.	35¼	35⅜
Rohm & Haas	34¼	33¼
Royal Dutch	61½	61⅛
RTB	11	10⅞
Ross Togs	10⅝	10⅞
Ryder System	24¼	24½

Stock	Jan. 8	Jan. 5
Woolworth	19¾	19¾
Wyly	5	5⅛
Xerox	56⅝	56½
Zapata	13¾	14⅛
Zenith Radio	14	14⅛
U.S.Treas. 4% '80	94⅛	†93⅞
USTreas4¼%75/85	77⅝	†77⅞
U.S. 90-day bills	9.35%	9.35%

CANADA

GERMANY ◆

Jan. 9	Price Dm.	+ or —	Div. %	Yld. %
AEG	78.20	......	—	—
Allianz Versich.	505.5	+7.5	31.2	3.1
BMW	229	+0.8	28.12	6.2
BASF	138	......	18.76	6.8
Bayer	136.5	+0.5	18.76	6.8
Bayer-Hypo.	304xr	—1	28.12	4.6
Bay. Vereinsbk.	318.5	+1.5	28.12	4.4
Commerzbank	225.6	—1.4	26.56	5.9
Conti Gummi	65.7	—0.6	—	—
Daimler-Benz	322.8	+0.3	28.12	4.4
Degussa	256	+2.5	26.56	5.2
Demag	178	+1	17.18	9.7
Deutsche Bank	307.4	—1.1	28.12	4.6
Dresdner Bank	244.9	—1.0	28.12	5.7
Dyckerhoffze't.	179.5	+4.5	9.38	2.6
Gutehoffnung	239xd	—0.8	18.26	3.8
Hapag Lloyd	99	—1	14.08	7.0
Harpener	160.5	+3	15.63	4.9
Hoechst	136.7	+0.3	18.76	6.8
Hoesch	50.5	—0.6	—	—
Horten	158	+1.5	9.36	3.0
Kali und Salz	144	—0.5	14.04	4.9
Karstadt	326.5	+1	23.44	3.6
Kaufhof	248	+3	18.76	3.8
Klockner DM.100	92.5	—0.5	—	—
KHD	196.5	+0.5	18.76	4.7
Krupp DM.100	104.5	+4.5	—	—
Linde	291	+1	25	4.3
Lo'brau DM.100	1,556	......	25	8.0
Lufthansa	98.5	—1	9.38	4.8
M.A.N	231	—2	18.76	4.0
Mannesmann	180	......	17.18	4.8
Metallges	257	+2.5	15.58	3.0
Munchener Rck	700	—5	28.12	2.0
Neckermann	166	+3	—	—
Preuss'gDM100	152.5	......	—	—
RheinWestElect	186.9	+0.4	25	6.9
Schering	261	+0.5	28.12	5.4
Siemens	281.5xr	—0.4	25	4.5
Sud Zucker	250	—0.2	17.96	3.6
Thyssen A.G.	119.2	—0.1	17.16	7.2
Varta	186	......	16.18	4.6
VEBA	132.7	—0.6	9.38	3.5
Vereins&W'stBk	297	—1	28.12	4.8
Volkswagen	230.4	+2.7	26	6.1

TOKYO ¶

Jan. 9	*Prices Yen	+ or —	Div. %	Yld. %
Asahi Glass	358	......	14	1.9
Canon	489	+4	12	1.2
Casio	870	—10	25	1.4
Chinon	355	—5	20	2.8
Dai NipponPrint	575	—4	18	1.6
Fuji Photo	755	+29	15	1.0
Hitachi	271	+2	12	2.2
Honda Motors	484	+1	18	1.8
House Food	1,060	—20	35	1.6
C. Itoh	252	+2	12	2.4
Ito Yokado	1,790	+20	30	0.8
Jaccs	760	+8	13	0.8
J.A.L.	2,850	+20	—	—
Kansai Elect.Pw.	1,240	+10	10	0.4
Komatsu	381	+2	18	2.4
Kubota	292	+1	15	2.6
Kyoto-Ceramic	3,770	+160	35	0.5
Matsushita Ind.	710	+5	20	1.4
Mitsubishi Bank	326	—24	10	1.5
Mitsubishi He'vy	138	+2	12	4.3
Mitsubishi Corp	421	—2	13	1.5
Mitsui & Co	293	+3	14	2.4
Mitsukoshi	568	......	20	1.8
Nippon Denso	1,400	—10	15	0.5
Nippon Shinpan	780	—4	12	0.8
Nissan Motors	686	—4	16	1.2
Pioneer	1,890	+50	48	1.3
Sanyo Electric	271	+4	12	2.2
Sekisui Prefab.	944	+2	30	1.6
Shiseido	1,160	+10	20	0.9
Sony	1,750	—10	40	1.1
Taisho Marine	250	—7	11	2.2
Takeda Chem.	555	+16	15	1.3
TDK	1,890	......	30	0.8
Teijin	141	......	10	3.5
Tokyo Marine	520	—3	11	1.0
TokyoElect Pow	1,110	......	8	3.6
Tokyo Sanyo	350	+10	12	1.7
Toray	181	+2	10	2.8
Toshiba Corp.	157	+4	10	3.2
Toyota Motor	881	+1	20	1.1

Source Nikko Securities, Tokyo

BRUSSELS/LUXEMBOURG

Jan. 9	Price Frs.	+ or —	Div. Frs. Net	Yld. %
Arbed	2,290	+15	—	—

AMSTERDAM

SWITZERLAND ●

COPENHAGEN ♣

VIENNA

MILAN

AUSTRALIA

Jan. 9	Aust. $	+ or —
ACMIL (25 cents)	†0.55	—0.05
Acrow Australia	†0.90	......
AMATIL $1	†2.15	+0.05
Ampol Exploration	†1.45	+0.05

PARIS

STOCKHOLM

Indices

NEW YORK—DOW JONES

	Jan. 8	Jan. 5	Jan. 4	Jan. 3	Jan. 2	Dec. 29	1978-79 High	1978-79 Low	Since Compilat'n High	Since Compilat'n Low
●Industrials	828.14	830.73	826.14	817.38	811.42	805.01	907.74 (8/9)	742.12 (28/2)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me B'nds.	84.50	84.45	84.58	84.55	84.32	84.54	90.88 (4/1)	84.55 (3/1/79)	—	—
Transport	216.01	217.37	217.25	214.55	210.17	206.56	261.49 (8/9)	199.31 (9/1)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	101.45	101.58	101.56	100.37	99.19	98.24	110.98 (3/1)	97.75 (20/12)	163.32 (20/4/69)	10.58 (28/4/42)
Trading vol. 000's	21,440	26,960	33,400	29,180	18,690	18,060	—	—	—	—

● Day's high 832.12 low 821.58

	Jan. 5	Dec. 29	Dec. 22	Year ago (approx.)
Ind. div. yield %	5.84	6.03	6.00	5.54

STANDARD AND POORS

	Jan. 8	Jan. 5	Jan. 4	Jan. 3	Jan. 2	Dec. 29	1978-79 High	1978-79 Low	Since Compilat'n High	Since Compilat'n Low
‡Industrials	110.08	110.46	109.82	109.08	107.91	107.21	118.71 (12/9)	95.52 (6/3)	134.64 (11/1/73)	3.52 (30/6/32)
§Composite	98.80	99.13	98.58	97.80	96.75	96.11	106.99 (12/9)	86.90 (6/3)	125.85 (11/1/73)	4.40 (1/6/32)

	Jan. 5	Dec. 27	Dec. 20	Year ago (approx.)
Ind. div. yield %	5.04	5.10	5.21	4.90
Ind. P/E Ratio	8.84	8.74	8.65	9.13
Long Gov. Bond yield	8.96	8.92	8.95	8.02

N.Y.S.E. ALL COMMON

Jan. 8	Jan. 5	Jan. 4	Jan. 3	1978-79 High	1978-79 Low
55.24	55.41	55.05	54.57	60.38 (11/9)	48.37 (6/3)

Rises and Falls

	Jan. 8	Jan. 5	Jan. 4
Issues Traded	1,886	1,903	1,905
Rises	578	1,166	1231
Falls	887	385	336
Unchanged	421	352	338
New Highs	16	31	32
New Lows	8	6	19

MONTREAL	Jan. 8	Jan. 5	Jan. 4	Jan. 3	1978-79 High	1978-79 Low
Industrial	226.01	225.82	224.71	222.21	226.01 (8/1/79)	152.80 (16/2)
Combined	231.72	231.45	230.32	228.27	231.72 (8/1/79)	170.82 (30/1)
TORONTO Composite	1345.9	1345.9	1338.5	1331.2	1345.9 (8/1/79)	998.2 (30/1)
JOHANNESBURG Gold	250.4	250.8	248.4	250.6	272.0 (14/8)	186.0 (20/4)
Industrial	276.7	274.7	272.2	271.9	281.8 (1/11)	194.8 (13/3)

	Jan. 9	Previous	1978-9 High	1978-9 Low
Australia (¶)	562.23	562.27	586.79 (22/8)	411.19 (1/3)
Belgium (‖)	100.37	99.76	101.16 (8/6)	90.43 (23/6)
Denmark (**)	88.44	88.32	98.95 (14/6)	88.08 (30/10)
France (††)	76.8	77.1	83.0 (4/10)	47.8 (3/2)
Germany (‡‡)	834.3	833.4	863.5 (19/10)	759.4 (17/5)
Holland (§§)	82.1	82.1	93.1 (11/9)	76.0 (4/4)
Hong Kong (¶¶)	507.75	504.52	707.70 (4/9)	383.4 (13/4)
Italy (‖‖)	70.16	70.34	82.25 (25/9)	55.45 (10/1)
Japan (a)	457.08	457.38	458.91 (6/1/79)	384.04 (4/10)
Singapore (b)	359.27	356.85	414.50 (6/9)	252.0 (9/1)

	Jan. 9	Previous	1978-9 High	1978-9 Low
Spain (d)	96.05	(c)	98.79 (2/1/79)	85.05 (9/1/78)
Sweden (e)	(u)	379.90	406.00 (4/6)	325.74 (3/1)
Switzerl'd (f)	297.4	296.1	323.7 (14/3)	261.6 (26/9)

Indices and base dates (all base values 100 except NYSE All Common—50; Standards and Poors—10; and Toronto 300—1,000; the last named based on 1975). † Excluding bonds. ‡ 400 Industrials. § 400 Industrials, 40 Utilities, 40 Finance and 20 Transport. ¶ Sydney All Ordinary. ‖ Belgian SE 31/12/63. ** Copenhagen SE 1/1/73. †† Paris Bourse 1961. ‡‡ Commerzbank Dec. 1953. §§ Amsterdam Industrial 1970. ¶¶ Hang Seng Bank 31/7/64. ‖‖ Banca Commerciale Italiana 1972. a Tokyo New SE 4/1/68. b Straits Times 1966. c Closed. d Madrid SE 30/12/77. e Stockholm Industrial 1/1/58. f Swiss Bank Corporation. u Unavailable.

MONDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Arlen Realty	282,600	2	—
Ramada Inns	211,700	9	+
Am. Home Prd.s	205,700	27	—
Singer	184,900	14	—
Boeing	182,100	74	—
East Gas/Fuel	177,300	17	+
Scott Paper	172,100	15	+
Deere	172,000	37	—
Sony	171,400	9	+
Sears Roebuck	170,900	20	—

OSLO

Jan. 9	Price Kroner	+ or —	Div. %	Yld. %
Bergen Bank	107.50	+0.25	9	8.4
Borregaard	69	+1	—	—
Creditbank	115	......	11	9.4
Kosmos	290	+2.5	20	6.9

BRAZIL

JOHANNESBURG

SPAIN ♥

COMMODITIES, RAW MATERIALS and AGRICULTURE

Zambian cut boosts copper

By Our Commodities Editor

COPPER PRICES rose yesterday on the London Metal Exchange following a report from Lusaka that Zambian copper output was being cut by 13 per cent this year because of transport and production problems.

Cash wirebars closed £6 up at £798.25 a tonne—the highest level since May 1977 — and the market moved higher still on the late kerb.

The forecast that Zambian copper production this year would fall by 88,000 tonnes to 656,000 tonnes, made by the two mining companies in interviews with the Government-owned Daily Mail, can hardly have come as a surprise to the market.

The big cuts in this year's supply commitments to consumers, by half in some cases, announced at the end of last year, confirmed that the Zambians themselves took a pessimistic view of production prospects.

Nevertheless, confirmation of these fears comes at a time when the market is already moving up in response to shortages of good quality brands (as supplied by Zambia) and continuing erosion of surplus stocks.

In spite of the rise in copper, cash lead lost ground yesterday following news of an earlier-than-expected resumption of production at the Metallgesellschaft Binsfeldhammer lead refinery, which was closed by a fire during the Christmas holiday.

Common Market swine fever campaign urged

BRUSSELS—The EEC Commission has proposed a concerted drive against swine fever in the Community.

It has proposed strong common measures including the enforced killing of contaminated pigs, disinfection of farms and increased co-operation between national laboratories.

The Commission wants the measures to come into effect on July 1, 1980, if agreement can be reached at the Council of Ministers.

Australia denies bauxite pact

BY JOHN EDWARDS, COMMODITIES EDITOR

AUSTRALIA DENIED yesterday that it had agreed to a minimum indexed price for bauxite, as proposed by the *International* Bauxite Association.

The Association announced last month, after a meeting in Surinam, that its members, including Australia, had agreed to index bauxite at not less than 2 per cent of the average U.S. list price of aluminium ingot during 1979.

However, Mr. Doug Anthony, Australian Trade and Resources Minister, in a statement issued after a meeting with Australian bauxite and aluminium producers, said his Government held the view that international commodity agreements could only be effectively implemented with both producer and consumer involvement.

The Association membership is made up of 11 bauxite producing countries, of which Australia is the single biggest producer. But other members sell mainly to North America while Australian sales are mostly in the rest of the world.

Mr. Anthony said that Australia had consistently taken the position that pricing decisions taken by the International Bauxite Association were only recommendations and not binding on members. There were administrative and technical problems, and any acceptance of recommendations was on the clear understanding that existing contracts would be honoured.

The communique issued by the Association last month gave a different impression. It stated that member countries during the meeting held in Surinam from December 11 to 13 had agreed the price for metallurgical grade bauxite should be 2 per cent of the U.S. list price for 99.5 per cent purity aluminium ingots.

It added that only a majority, instead of a unanimous vote, had favoured the principle of indexing alumina prices in the range of 16 to 19 per cent of aluminium ingot prices. This did not bind members and no action would be taken regarding alumina prices in 1979.

Soviet fish deal angers Norwegians

BY FAY GJESTER IN OSLO

NORWAY'S agreement with Russia on the share-out of Barents Sea cod and capelin quotas this year will lead to huge losses for Norwegian fishermen and must be re-negotiated. This demand was put forward at the annual meeting in Bergen on Monday and yesterday of the Norwegian Fishing Boat Owners' Association. The association's fleet lands more than half Norway's fish catch in terms of value.

The Norwegian-Soviet agreement has been the target of strong criticism by Norwegian fishermen ever since its conclusion in November. It was condemned by the Norwegian Fishermens' Union national executive in Trondheim last month.

Last month, too, a northern branch of the Fishing Boat Owners' Association urged fishermen to ignore the capelin quota deal which gives Norway only 60 per cent of this year's 1.8m tons allowable catch. Members agreed that, if the Government was not willing to re-negotiate the quota, Norwegian fishermen should go ahead and take their "historic share," about 90 per cent of the total.

In the November talks with Russia, Norway's negotiators initially sought a 75 per cent share of the capelin catch.

According to Mr. Leiv Gronnevet, Secretary General of the Fishing Boat Owners' Association, Norwegian fishermen will lose more than NKr 100m this year as a direct result of the reduced capelin quota.

Mr. Gronnevet is critical of the so-called "grey zone" agreement with Russia which bars Norway from inspecting Russian fishing vessels in a disputed area of the Barents Sea. Norwegian experts are convinced that Russia takes advantages of this immunity to use small-mesh net, a practice which takes a heavy toll of the young cod in these waters.

Farm land trend resumed

By Our Commodities Staff

UK FARM land prices resumed their upward trend in November, according to figures published yesterday by the Agricultural Development and Advisory Service (ADAS) and the Agricultural Mortgage Corporation (AMC).

The average price of vacant possession land changing hands in the three months ending in November was £3,441 a hectare. The steady term rise in land values had previously been interrupted in in the August-October quarter when the average slipped from the July-September figure of £3,281 to £3,258 a hectare.

However the September-November average was 38 per cent above the level in the corresponding quarter of 1977.

The figure is based on 355 sales totalling 12,900 hectares.

The ADAS/AMC land price index, which allows for the regional and area size-group composition of the reported sales, rose to 182 (1973=100). A year ago the index was 126.

World tobacco production rises

WASHINGTON—World tobacco production rose 2.6 per cent to 5.59m tonnes in 1978, including hefty increases in China, India, Brazil and the U.S., says the U.S. Agriculture Department.

But the Soviet Union's tobacco harvest dropped slightly, the report added.

Last year's overall figures compared with 5.45m tonnes in 1977 and a record 5.66m tonnes in 1976.

Total U.S. tobacco output last year was 910,861 tonnes, up from 869,251 in 1977. China produced an estimated 975,000 tonnes, the same as in 1977; India 430,000 tonnes (414,200); Brazil, 329,000 (310,000); and the Soviet Union, 300,000 (302,000).

AP-Dow Jones

MALAYSIAN PALM OIL OUTPUT TAX

KUALA LUMPUR — Malaysian palm oil mills will have to pay a levy of one ringgit (22p) per tonne of oil produced to the newly established Palm Oil Registration and Licensing Authority (PORLA), the Primary Industries Ministry announced yesterday.

IRISH DAIRY INDUSTRY

The boom goes on . . . and on

BY CHRISTOPHER PARKES

WHILE BRITISH dairy farmers complain and buckle down under the burden of a vastly over-valued agricultural "green" pound—getting effectively only 70p for every pound's worth of milk yet still paying 100p for every pound's worth of inputs—the astonishing boom in Ireland continues with unflagging vigour.

Latest provisional figures from An Bord Bainne, the Irish National Dairy Board, show that milk production in the past 12 months leapt by more than 15 per cent. The value of exports shot up 28 per cent to £476m—in what all in the dairy trade agree was a "bad" year.

The British market, which still absorbs a large proportion of Irish milk products, was heavily over-loaded with both cheese and butter for the full 12 months. Price cutting became standard procedure at all levels in the distributive chain, but the marketing skills of An Bord Bainne have clearly been paying off.

These abilities are highly praised in a report* just published by the UK Milk Marketing Board which produces some startling, not to say alarming, comparisons between the British and Irish dairy industries.

Examining the small dairy herds in Ireland—and there are 60,000 herds with fewer than 20 cows in the country producing 55 per cent of national milk output — the author shows how a fair, even comfortable living can be made on a 40-acre holding.

A mixed farm of this size, with a 10-cow herd as the main enterprise, produced a net profit during 1977 of more than £4,000 a year. The farmer paid no tax and even qualified for income supplement. In 1974, the year after Ireland joined the EEC, a farmer on such a unit was making less than £1,500.

During 1977, then, the average small-scale Irish operator was making £200 profit per hectare of land. During the same time farmers in Britain, classed among the most efficient dairy producers in the country, were making only £108 a hectare. Specialist dairy farmers in Ireland took £261 a hectare profit.

"It seems almost as if the Common Agricultural Policy with regard to milk was designed with the Irish in mind," says the foreword to the report.

The main body of the paper is devoted to an even-handed comparison of the British specialist against Irish specialist.

The higher profits in Ireland were due partly to the difference between the milk prices paid in the two countries. The Irish earned 0.7p a litre more. But the over-riding cause of the difference, the author concludes was the extremely low level of both fixed and variable costs on Irish farms.

Total fixed costs on the farms studied averaged £5,141 in Ireland and £15,655 in Britain. The biggest descrepancy was in the bill for labour—£4,426 in the UK and a mere £520 a year in the Republic. So although the total gross margin on the average Irish unit was less than £19,000 compared with more than £26,000 in Britain, trading account profits reversed the balance leaving the Irishman with *£12,500 in his hand* and his British counterpart with less than £8,000 to show for his year's efforts.

While some of the difference can be put down to the UK Government's price policy, a large proportion is clearly attributable to historical tactical decisions made in the development of British dairying.

The average British dairy farm is undoubtedly far more sophisticated than the average Irish unit. But the British farmer is paying a high price for his sophistication.

Basically, the Irish farmer feeds his cattle on grass, gives them only a fraction of the costly concentrate feeds dolled out by the British, feeds his grass on a relatively stingy ration of nitrogen, and spends as little as possible on other "luxuries" like stock housing.

The UK specialist dairy farmer, who feeds three times as much concentrate as the Irishman and uses a third more nitrogen, gets an average milk yield of 5,000 litres a cow compared with 3,290. But a reading of this paper raises the question: *is it worth the candle?*

True, the Milk Marketing Board and the Ministry of Agriculture are steadily promoting the idea of low-cost milk production here, but from the other side comes the insistent commercial pressure on farmers to invest more and more in their units. Too often, seems, such "improvements" merely add to the pressure on them to run harder and harder to keep the treadmill turning.

Witness, for example, the current "hard sell" on computer technology for agriculture.

True, the British dairy industry was developed to fulfil a set of criteria wholly *different from those applying* elsewhere in Europe. But now that it is having to survive within a structure developed for Europeans it is having a sad time of it.

Interestingly, Irish farmers, for all their new-found prosperity are not spending heavily *on their farms*. A long history of low prices and depression in the countryside has instilled into the farming community a deep distrust of heavy investment.

The prosperity of the farmers is, however, only one result of Ireland's accession to the European Community. More significant in the longer term is the seemingly open-ended opportunity to expand, offered to the dairy industry.

The inherent conservatism of the rural community will probably ensure that potential expansion rates are not met fully, but it still seems likely that Irish milk production will grow from 3.8bn litres in 1977 to 6.5bn by 1985.

This of course assumes national milk production quotas are not imposed by the EEC Council of Ministers which is currently searching for ways to cut the Nine's structural surpluses of dairy goods.

And of course, outlets will have to be found for the coming flood. Since there are only 3m people in the Republic and they are already top in the Community's dairy consump*tion league, they can hardly be* expected to absorb much more.

New manufacturing capacity will have to be provided and new products devised, always assuming, *of course, that the* Dublin Government does not find a way through British "health" regulations which stop imports, lay down a pipeline across the Irish Sea and pump its problems into Britain—with the help, of course, of a nice, fat monetary compensatory amount subsidy.

* A comparison of the economics of milk production in Eire and Great Britain, H. C. Hughes, MMB, 39 Christchurch Road, Reading, Berks RG2 7AW.

Wealth dominates farm conference

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

WEALTH AND its problems dominated the opening day of the Oxford farming conference yesterday.

The high cost of land, which has made many farmers and their families "paper" millionaires, appears to fill them with the deepest gloom.

The consequent burden of capital taxation could force many families out of farming within a generation, leaving the land to the institutions, foreigners or, at worst, the nation — in other words, nationalisation.

Some farmers apparently toy with the idea of handing land to the state to satisfy taxation while still farming it. But this would not work, according to Clive Paula of the Agricultural Mortgage Corporation. Valuation and political dogma would turn it to a shambles.

Mr. William Peck, a land agent, a class which seems to flourish on high land prices, forecast that institutions would gobble up most of Britain, keeping the land in hand because of the impossibility of ever getting the tenants out under present statutory provisions.

Institutions, he claimed, were satisfied with 2½ to 3 per cent income on land appreciating as an investment. His advice to farmers was to lease back to some friendly institution and secure capital for expansion.

U.S. consumes more wool

WOOL CONSUMPTION in the U.S. has continued the growth it began in 1976, the International Wool Secretariat reported yesterday.

Latest statistics covering the first eight months of 1978 show imported goods accounted for the equivalent of 43.3m kilos of raw wool, 20 per cent up on the same 1977 period, while domestic mill consumption of raw wool rose 6 per cent to 35.2m kilos.

Reuter

BRITISH COMMODITY MARKETS

BASE METALS

COPPER—Firmer again in active trading on the London Metal Exchange. After trading quietly throughout the morning and early afternoon forward metal moved ahead strongly from £807 to touch the day's high of £815.5 following a news agency report that Zambian copper production will be reduced by 13 per cent in 1979 owing to transport problems and production difficulties. Most of the buying interest was from chartist and speculative sources although trade buying was also reported. Turnover, 23,075 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	798-.5	+7.5	798-.5	+6
3 months	808.5-9	+10	811.5-2	+7.5
Settl'm'nt	798.5	+7.5	—	
Cathodes				
Cash	777-8	+8.25	778.5-80.5	+4.25
3 months	794-.5	+7.5	797.5-9	+5.5
Settl'm'nt	778	+8.5	—	
U.S. Smt.	—		*72-3	

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £795.5, 96, 96.5, 96, three months £808.5, 8, 7.5, 7, 8.5, 8, 7, 7.5, 8, 8.5. Cathodes, cash £777.5, three months £795, 94.5. Kerb: Wirebars, three months £808, 8.5, 9. Afternoon: Wirebars, three months £808, 8.5, 9, 9.5, 10, 11, 12, 12.5, 12, 11.5, 12, 12.5, 12. Kerb: Wirebars, three months £811, 11.5, 12, 11.5, 11, 11.5, 12, 12.5, 13, 14, 14.5, 15, 15.5, 15, 14.5, 15.

TIN—Marginally firmer. A rise in the Penang market saw forward standard metal open at £6,960 and move ahead to £6,970. However, freer offerings of cash material, reflecting fresh arrivals from the East, narrowed the backwardation and prompted profit-taking which depressed forward metal to £6,930 in the rings. In the afternoon the strength of copper coupled with lower sterling caused a modest recovery which left forward material at £6,950 on the late kerb. Turnover 1,385 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7010-20	—5	6990-7000	
3 months	6960-80	+40	6950-60	+27.5
Settlem't	7020	—10	—	
Standard				
Cash	7000-5	—17.5	6990-7000	
3 months	6935-40	+20	6942-5	+15.5
Settlem't	7005	—25	—	
Straits E.	£$1840	+15		
New York	—			

Morning: Standard, cash £7,010, £7,000, £7,005, three months £6,960, 30, 45, 35, 45, 40, 35. Afternoon: Standard, three months £6,940, 45, 50, 45, 40, 45, 42. Kerb: Standard, three months £6,950, 40, 60, 65, 60, 55, 50.

LEAD—Easier following an active day's trading. After opening at £435 forward metal eased to £430 owing to profit-taking and freer offerings of cash which narrowed the backwardation at one point. However, the market held the £430 level and edged up in the afternoon to close around £432 with the backwardation widening to around £34. Turnover 9,250 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	461.5-2	—12.75	463-4	—4
3 months	431.5-2	—2.75	431.5-2	—.5
Settl'ment	462	—15	—	
U.S. Spot	—		*56.36	

Morning: Cash £467, 65, 64, 62, 61, 62, three months £434, 33.5, 33, 32, 32, 33, three months £430.5, 31, 31.5. Kerb: Three months £431, 31.5, 32, 32.5, 32, 31.75, 32, 33, 32.

ZINC—Quietly steady, reflecting the general trend in other metals. Forward metal traded in a £2 range throughout the day prior to closing on the late kerb at £361. Turnover 8,150 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	348-.5	+1.25	349-50	+1
3 months	359-.5	+1.75	360-.5	+1
S'ment	348.5	+1	—	
Prim.west	—		*55.5-4.5	

Morning: Cash £348, three months £360, 59.5, 59, 59.5. Kerb: Three months £359. Afternoon: Three months £359.5, 60, 60.5. Kerb: Three months £361, 60.5.

ALUMINIUM—Quietly firm and mainly reflecting the strength of other metals, notably copper. Forward metal opened at £619, and after dipping to £617, gained ground to close at £622. Turnover: 5,175 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£		£	
Spot	621-.5	+4	623-.5	+4.75
3 months	619-.5	+2	621.5-2	+5

Morning: Three months £617.5, 17, 18, 19, 19.5. Kerb: Three months £619. Afternoon: Cash £623, three months £619.5, 20, 21, 21.5. Kerb: Three months £622, 22.5, 23, 22.

* Cents per pound. $ $M per picul. † On previous unofficial close.

SILVER

COCOA

GRAINS

RUBBER

COFFEE

PRICE CHANGES

Price in tonnes unless otherwise stated.

	Jan. 9 1979	+ or —	Month ago
Metals			
Aluminium	£710		£710
Free market (cif)	$1,255/55		$1,170/90
Copper cash W Bar	£798.25	+6.0	£775
3 months do. do.	£811.75	+7.5	£791.75
Cash Cathode	£779.5	+4.25	£761.75
3 months do. do.	£798.25	+5.5	£780
Gold Troy oz.	$222.875	—0.5	$202.875
Lead cash	£463.5	—4.0	£427.5
3 months	£431.75	—0.5	£406.75
Nickel	‡		‡
Free Market(cif)(lb)	$1.68 1.76		$1.68 1.80
Platinum troy oz.	£152		£156
Free Market	£173.2	+2.85	£172.05
Quicksilver	$180/90		$148/53
Silver troy oz.	297.6p	+0.5	295.8p
3 months	305.4p	+0.5	305p
Tin cash	£6,995		£7,160
3 months	£6,943.5	+15.5	£7,082.5
Tungsten (z)	$140.39		$148.88
Wolfram 22.04 cif	$150/55	—1.5	$137/43
Zinc cash	£349.5	+1.0	£356.75
3 months	£360.25	+1.0	£348
Producers	$720		$720
Oils			
Coconut (Phil)	$955r	—1.0	$875
Groundnut	‡		‡
Linseed Crude	£366	+8.0	£342
Palm Malayan	$620s	+5.0	$590
Seeds			
Copra Philip	‡		$585
Soyabean (U.S.)	$288	+4.6	$280
Grains			
Barley			
Home Futures	£96.2	+0.85	£96.25
Maize			
French No. 3 Am	£107.5	—0.5	£106.25
Wheat			
No. 1 Red Spring	£97.5	+0.25	£96
No. 2 Hard Winter	£83.5q	—1.5	£88.5
English Milling †	£92.5x		£95.5
Other Commodities			
Cocoa Shipment	£2,094	—16.0	£2,192
Future May	£1,955.5	—16.5	£2,041.5
Coffee Future			
Mar	£1,377	+7.5	£1,287.5
Cotton 'A' Index	78.65c	+0.5	79.1c
Rubber kilo	55.75p	+0.25	57.5p
Sugar (Raw)	£95	—1.0	£105
Wooltops 64s (kilo)	268p		274p

* Nominal. † New crop. ‡ Unquoted. n Jan.-March. q Jan.-Feb. r Feb.-March. s March. t Feb. x per ton. z Indicator.

SOYABEAN MEAL

SUGAR

... granulated basis white sugar was £264.85 (same) a tonne for home trade £167.00 (£167.50) for export.

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean port. Prices for Jan. 8. Daily 7.81 (7.79): 15-day average 7.84 (7.95).

WHITE SUGAR—Close (in order buyer, seller, business, sales): Feb. 95.00, 95.50, 95.50-93.75, 89; April 99.50, 100.00, 100.15-100.00, 23; July 105.50, 106.25, 106.00-105.75, 56; Sept. 111.80, 112.25, 111.75, 20; Nov. 117.50, 119.00, nil, nil; Feb. 123.50, 124.50, 123.00, 5; April 128.00, 129.00, nil, nil. Sales: 193.

WOOL FUTURES

LONDON GREASY—Close (in order buyer, seller): March 210.0, 215.0; May 215.0, 223.0; July 220.0, 230.0; Oct. 234.0, 240.0; Dec. 235.0, 242.0; March 236.0, 244.0; May 239.0, 250.0; July 239.0, 250.0. Sales: Nil.

SYDNEY GREASY: Close (in order buyer, seller, business, sales). Micron Contract: March 350.5, 350.7, 350.7-350.7, 1; May 358.3, 358.5, nil, nil; July 362.3, 362.7, nil, nil; Oct. 364.0, 365.5, nil, nil; Dec. 368.0, 368.8, 368.5-368.5, 3; March 371.0, 373.0, nil, nil; May 373.0, 374.6, 374.0-374.0, 6; July 376.2, 376.0, 375.7-375.7, 1. Sales 11.

NEW ZEALAND CROSSBREDS—Close (in order buyer, seller): March 183.0, 185.0; May 184.0, 185.0; July 186.0, 190.0; Oct. 189.0, 193.0; Dec. 191.0, 197.0; March 192.0, 198.0; May 193.0, 199.0; July 193.0, 199.0. Sales: Nil.

MEAT/VEGETABLES

SMITHFIELD—Pence per pound. Beef: Eire hindquarters 76.0 to 78.0, forequarters 45.0 to 46.0.

Veal: English fats 76.0 to 85.0.

Lamb: English small 60.0 to 64.0, medium 58.0 to 64.0, heavy 52.0 to 60.0.

Pork: English, under 100 lb 36.5 to 46.0, 100-120 lb 36.5 to 45.0, 120-160 lb 35.0 to 43.0.

Partridges: Young (each) 200.0 to 220.0.

Pheasants: Best (per brace) 300.0 to 320.0.

MEAT COMMISSION—Average fatstock prices at representative markets on January 9: GB—Cattle 73.58p per kg.l.w. (+2.25). UK—Sheep 139.5p per kg.est.d.c.w. (+0.1). GB—Pigs 61.9p per kg.l.w. (—1.0). England and Wales: Cattle numbers up 6.5 per cent, average price 73.08p (+1.72). Sheep up 13.0 per cent, average 140.0p (+0.6). Pig down 12.8 per cent, average 61.7p (—1.2). Scotland: Cattle average price ... Sheep average price 129.2p.

COVENT GARDEN—Prices in sterling per package except where otherwise stated.

LIVERPOOL COTTON

HIDES

GRIMSBY FISH

AMERICAN MARKETS

NEW YORK, Jan. 9.

Copper—Jan. 70.40 (70.80), Feb. 70.90 (71.20), March 19.60, May 73.05, July 74.30, Sept. 75.30, Dec. 76.30, Jan. 76.70, March 77.45, May 78.20, July 78.95, Sept. 79.70.

Potatoes, Round Whites—March 6.02-6.04 (6.05), April 6.34-6.39 (6.33), May 7.22-7.24, Nov. 5.68 asked, March 6.40-6.55, April unquoted, May 7.88 asked. Sales: 2,709.

§Silver—Jan. 600.00 (603.30), Feb. 602.60 (606.10), March 606.50, May 614.70, July 623.60, Sept. 632.50, Dec. 645.50, Jan. 651.40, March 661.10, May 670.90, July 680.70, Sept. 690.60. Handy and Harman spot 601.50 (603.80).

CHICAGO, Jan. 9.

†Lard—Chicago loose 24.50 (24.37). NY prime steam 26.00 traded (25.87 traded).

Live Cattle—Jan. 61.45 asked (60.00). Feb. 62.70-62.60 (61.22), April 64.95-64.85, June 65.85-65.90, Aug. 64.65-64.60, Oct. 63.80-63.90, Dec. 64.45-64.47, Jan. 64.50 asked, Feb. 64.55 asked, April 64.60. Sales: 28,552.

Live Hogs—Feb. 51.80-51.90 (50.48). April 47.80-47.85, June 49.00-48.85, July 48.20-48.15, Aug. 46.90 asked, Oct. 44.90 bid, Dec. 45.70, Feb. 48.22 bid, April 44.87 bid. Sales: 6,210.

‡‡Maize—March 228¾-229¼ (229½), May 238-237¾ (238), July 242½, Sept. 244¾, Dec. 248¾-248, March 255¼.

Plywood—Jan. 21.98 (22.00), March 21.80-21.79 (21.79), May 21.28, July 20.90-20.94, Sept. 20.65, Nov. 20.40, Jan. 20.50-20.52.

Pork Belly—Feb. 58.60-58.50 (57.32), March 58.10-57.90 (57.00), May 58.60-58.55, July 58.20, Aug. 57.75 asked. Sales: 5,637.

All cents per pound ex-warehouse unless otherwise stated. * $s per troy ounce—100-ounce lots † Chicago loose $s per 100 lbs—Dept. of Ag. prices previous day. Prime steam fob NY bulk tank cars. ‡ Cents per 56-lb bushel ex-warehouse, 5,000-bushel lots. § $s per troy ounce for 50-oz units of 99.9 per cent purity delivered NY. ¶ Cents per troy ounce ex-warehouse. ‖ New "B" contract in $s a short ton for bulk lots of 100 short tons delivered fob cars Chicago, Toledo, St. Louis and Alton. ** Cents per 59-lb bushel in store. †† Cents per 24-lb bushel. ‡‡ Cents per 48-lb bushel ex-warehouse. §§ Cents per 56-lb bushel ex-warehouse, 1,000-bushel lots. ¶¶ C$s per tonne.

EUROPEAN MARKETS

PARIS, Jan. 9.

Soyabeanmeal—All unquoted. Sales at call nil, accumulative total nil, yesterday's official turnover nil.

Sugar (FFr per 100 kilos)—March 819/821, May 842/844, July 845/855, Aug. 894/896, Oct. 920/930, Nov. 915/930, Dec. 930/950, March 991/999.

ROTTERDAM, Jan. 9.

Wheat—U.S. No. 2 Dark Hard Winter 13.5 per cent Jan.-March $151 per tonne. U.S. Hard Winter Ord. Jan.-March $150 per tonne.

Maize—U.S. No. 3 Corn Yellow Jan. 115.75, Feb. $115.50, Jan.-March $115 traded, April $116.50, April-June $115.50, July-Sept. $116, Oct.-Dec. $116.75.

Rye—U.S. No. 2 Can Western April-May $123.

Oats—Norwegian Jan. $108.50. —unquoted. U.S./Plate—April 102 Jan.-Feb. 102, Feb. 100, Feb.-March 100, March-April 101. Swedish Spot $95 1/Can. feed—unquoted.

Sorghum—Argentina, U.S. Jan. $116.50, Feb. $118.50, March-April $109, April-June $107.

Barley—U.S. No. 3 Can. ½—all unquoted.

Soyabean—U.S. No. 2 Yellow Gulf Ports Jan. $283, Feb. $284.75, March $284.50, April $282.75, May $282.25, June-July-Aug. $283.50, Sept. $282.75, Oct. $266.50, Nov. $267.50, Dec. $270.25, Jan. $274, Feb. $277.75, March $278.75 sellers. U.S./Brazil—unquoted. Lakes—unquoted. Argentine May $277, June-July $278 sellers.

Linseed—Can. 1 Atlantic April-May $298, June-July $298.75, Oct.-Nov. $239 sellers. Pacific loading West Coast $312.50, Jan.-Feb. $309.50, Feb. $308, Feb.-March $307 sellers. U.S. 1 unquoted. Argentine unquoted.

Sunflowerseed—U.S./Canadian April-May, May-June $317, Oct.-Nov. $284 sellers.

INDICES

FINANCIAL TIMES

Jan. 8	Jan. 5	M'nth ago	Year ago
260.14	259.06	258.71	233.88

(Base: July 1, 1952=100)

DOW JONES

Dow Jones	Jan. 8	Jan. 5	Month ago	Year ago
Spot	382.62	384.06	388.65	342.20
F'tur's	382.67	385.38	385.51	357.68

(Average 1924-25-26=100)

MOODY'S

Moody's	Jan. 8	Jan. 5	M'th ago	Year ago
Sple Comty	983.4	977.2	960.0	888.1

(December 31, 1931=100)

REUTERS

Jan. 9	Jan. 8	M'nth ago	Year ago
1491.4	1491.8	1510.7	1420.0

(Base: September 18, 1931=100)

EEC fruit output up

BRUSSELS—Fruit production during 1978 in the European Community rose to 17m tonnes compared with 15.1m tonnes in 1977. Vegetable production was much the same at 24.6m tonnes, according to estimates from the EEC statistics office (Eurostat), reports AP-Dow Jones.

Eurostat also estimated that EEC wine production in 1978 amounted to 132m hectolitres up from 129m in 1977.

The agency said last year's fruit production was slightly below the average annual output for the 1973-77 five-year period of 17.4m tonnes. But the average five-year vegetable production of an annual 23.01m tonnes was surpassed by the 1978 result.

Difficulties for Israeli citrus exports

CITRUS growers in the Gaza Strip expect considerable difficulties in marketing their crop this winter.

Demand from East European countries (one of the Strip's main markets) has been reduced and shipments to Iran, which previously bought an average of 50,000 tonnes out of the total production of 200,000 tonnes, are now impossible.

A delegation of Gaza growers and exporters now intends to go to a number of Arab countries later this week to seek extra sales contracts.

Secondary equities active and firm but leaders dull on continued labour unrest—Medium tap exhausted

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Jan. 2	Jan. 11	Jan. 12	Jan. 23
Jan. 15	Jan. 25	Jan. 26	Feb. 6
Jan. 29	Feb. 8	Feb. 9	Feb. 20

* "New time" dealings may take place from 9.30 am two business days earlier.

Stock markets failed to shake off the depressing effects of the current labour disputes and the overnight rally inspired by the apparent easing of fuel supplies following the Esso and Shell pay agreements soon ran out of steam. Despite the fact that BP tanker drivers followed suit yesterday, potential investment buyers were prepared to await the outcome of the efforts by ACAS to find a solution to the increasingly disruptive lorry drivers' strike, while their mood was also tempered by the threat of a national rail strike next week.

Prices of equity leaders were firm enough to start with but soon reacted to dither around overnight levels for most of the day in the absence of support before easing to close with small falls on balance. Up 0.9 at 10 am, the index was showing a net loss of 2.2 an hour later and closed that much off at 482.2.

Gilt-edged also started firmly, helped by the opening announcement that the Government Broker had run out of supplies of the short-medium Exchequer 1985 tap. Early modest gains in this market were also relinquished, and often replaced by small falls, in face of the industrial unrest and the likely cost of eventual settlements.

It was left to second-line equities to provide scattered firm features, but the overall tone remained satisfactory and activity, as measured by official markings of 5,376, expanded to its best since September 27 last. Rises were again in a majority over falls in FT-quoted equities, but the ratio narrowed to 3:2 against Monday's 5:2, while 59 new 1978-79 highs and no new lows were recorded.

Among the sectors, Oils were neglected and ended with small falls, but electronic issues were in favour again while Rubbers occasionally moved higher in sympathy with Sime Darby's bid approach to Guthrie and Mining Finance issues stood out with good gains on rising base-metal prices with Copper shares well to the fore.

Gilt-edged became subdued after an initial burst of demand which exhausted the remaining supplies of the medium-dated tap stock, **Exchequer 12¾ per cent, 1985**, *unaltered at 97¾, after 97⅝.* Mediums and longs improved by around an ⅛ at the start of business, but eventually reverted to overnight closing levels. Lack of follow-through support and occasional selling prompted a noticeable turnround in the shorts after the previous day's good showing and final quotations recorded losses extending to 1. The announcement of the Banking figures for mid-December were much in line with expectations and had little impact on sentiment.

The investment currency market moved narrowly with institutional interest shown at the lower levels. After trading around 83 per cent for most of the day, the premium closed ¾ lower on balance at 82¾ per cent. Yesterday's SE conversion factor was 0.7015 (0.6947).

Interest in Traded Options remained at a low ebb and only 351 contracts were completed. GEC attracted a moderate demand, recording 55 deals.

Banks easier

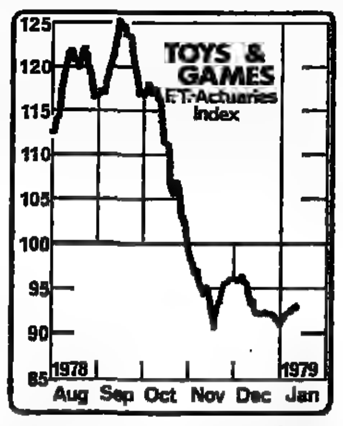
Home banks turned reactionary after recent Press-inspired strength. Late publication of the latest lending figures made no impression on earlier easier levels and **Barclays** and **Lloyds** closed 5 off at 380p and 290p respectively. Merchant banks, on the other hand, moved higher in places with improvements of 3 recorded in **Hambros**, 193p, and **Mercury Securities**, 116p. Elsewhere, **Corinthian** put on 3 to 35p.

Breweries met with more business than of late, although interest was mainly confined to selected second line issues. Elsewhere, **Gough Brothers** featured, rising 6½ to 56½p on news that Whitbread intends to expand its wine retailing business by means of takeovers. In Distillery counters, **Highland** responded to Press comment with a rally of 4 to 86p.

Among Building issues, **Burnett and Hallamshire** firmed another 3 to 238p and, following the chairman's optimistic annual statement, **Baggeridge Brick** put on 2½ to 36p. **Brown and Jackson** were noteworthy for a fresh rise of 6 to 224p, while **Watts Blake Bearne** and **William Whittingham** added 3 apiece to 120p and 46p respectively. **Countryside** found support at 47p, up 1½; the preliminary results are due January 17.

ICI edged forward to 370p initially, but drifted back to close a net 2 down at 366p. Late selling left **Fisons** 5 cheaper at 301p, while persistent small offerings in a thin market prompted a fresh fall of 4 to 132p in **Leigh Interests**.

Some good buying developed for secondary Stores yesterday. Still reflecting favourable comment, **Home Charm** gained 11 more to 246p, while fellow D-I-Y concern **A. G. Stanley** added 8 at 188p. Further speculative buying lifted **MFI Furniture** 3 more to 185p and a resurgence of speculative support for **James Walker** left the ordinary and A shares 6 higher at 125p and 112p respectively. **H. Samuel A** rose 6 to 204p on further consideration of the interim statement, and **Waring and Gillow** put on 5 to 130p on small buying in a thin market, while rises of 3 and 5 respectively were seen in



Executex, 47p, and **Forminster**, 107p. **Ratners**, however, eased a penny to 73p; the favourable interim results had already been discounted. Among Shoes, **Hiltons** added 4 at 110p.

Much of the day's interest in Electricals centred on secondary issues. Fresh demand was seen for **Muirhead** which pushed ahead to close 11 up at 227p, while **United Scientific** were again wanted and improved 10 more to 286p. Interest was also shown in **Unitech**, 182p, and **Pressac**, 105p, up 4 apiece. **Highland** firmed 3 to 58p, but **Laurence Scott** encountered profit-taking after the previous day's good rise and reacted 3 to 89p. **H. Wigfall** also moved against the trend, reacting 8 more to 247p on nervous selling ahead of today's interim results.

The Engineering leaders eventually succumbed to scattered offerings and lack of support. Falls of 6 were marked against **John Brown**, 370p, **Hawker Siddeley**, 224p, and **Tubes**, 376p. By way of contrast, buyers were still showing selective interest in second-line issues. **Williams and James** stood out again with a fresh rise of 7 to 115p, while speculative buying left **Stratrite** 6 to the good at 130p and **Birmingham Mint** *4 higher at 138p.* **APV** *came to* life with an improvement of 5 to 205p and similar rises were recorded in **A. Cohen**, 165p, and **Simon Engineering**, 266p. **Westland** became a better market at 38p, up 4, awaiting today's preliminary results. Further occasional support was forthcoming for **Mining Supplies** which hardened 2 more to 124p and **Mitchell Somers** a like amount dearer at 54p.

Foods encountered a little more business than of late and one or two features emerged among secondary issues. Revived bid speculation prompted a gain of 6 to 89p in **Nurdin and Peacock**, while **Linfood**, a good market late on Monday, found fresh support and gained 4½ to 141p. Speculative demand lifted **Louis C. Edwards** 3 to a 1978-79 peak of 32p, while **A. G. Barr** added 2 to 84p in continued response to the annual results. **Barker and Dobson** eased ¾ more to 13¾p on worries about the effects of the road haulage dispute.

Hotels and Caterers displayed narrow mixed movements, but **Rowton** stood out with a rise of 8 to 167p and **Savoy A** added 3 to 79p.

Rank up again

Of the narrowly mixed miscellaneous Industrial leaders, **Rank Organisation** again stood out with a fresh rise of 8 to 276p, after 278p, following investment support ahead of the preliminary results due on January 24. Elsewhere, **ICL** added 15 to 450p with sentiment helped by news of a £¾m computer contract from BL Cars. Down 7 the previous day in reaction to a "sell" recommendation, **Restmor** rallied 3 to 77p ahead of next Monday's first-half figures. **IC Gas** found support at 373p, up 8, and improvements of around 5 were recorded in **Bifurcated Engineering**, 57p, **De La Rue**, 370p and **Hays Wharf**, 150p. Renewed speculative buying on bid hopes lifted **Gieves** 3 to 108p, while **Caplan Profile** added the same amount to 143p on further consideration of the annual results. **Negretti and Zambra** declined 4 to 78p after comment on the sharp contraction in mid-term earnings, and reduced interim earnings prompted a reaction of 2 to 58p, after 57p, in **RFD**. Uninspiring half-year figures left **Halma Investments** with a loss of 3 at 41p.

Standing 4 higher for most of the session, a late speculative flurry lifted **Samuelson Film Service** to 136p for a net gain of 16.

The efforts of a few buyers left Motor sectors with a firm appearance. Notable gains among Distributors included **Harold Perry**, 6 better at 120p, while **Jessups** closed 2½ to the good at 43p.

Steady at 268p before the rights issue and profits forecast announcement, **Haslemere** touched 272p immediately following it but subsequently fell back to 260p for a net loss of 8; the 9½ per cent convertible shed 7 points to £148½. Other Properties improved on a selective basis with **Churchbury Estates** up another 3 to 348p and **Allnatt (London)** 7 better at 238p. **Chaddesley** stood out at 55p, up 6, in response to the interim results and the chairman's confident remarks and, despite the lower mid-term returns, **Lynton** hardened a penny to 138p.

Oils quietly dull

Leading Oils drifted lower in continuing quiet trading. **Shell** gave up 6 to 568p and **British Petroleum** eased a few pence to 916p. Elsewhere, a late flurry of selling thought to have been prompted by a chart sell recommendation left **Ultramar** 8 cheaper at 212p. **Tricentrol** eased 4 to 154p and **Burmah** 2 to 91p but speculative interest developed in **Lasmo** which moved up 6 to 142p.

Overseas Traders closed with good rises after a reasonable level of business. **Harrisons and Crosfield**, affected by Press comment over the Sime Darby/Guthrie situation, put on 25 to 550p. **James Finlay** added 7 to 101p, while gains of around 3 were seen in **J. E. Sanger**, 40p, and **Thomas Borthwick**, 77p.

In quietly-traded Textiles, **John Haggas** rose 4 for a two-day rise of 16 to 206p since the Monopolies Commission go-ahead for the merger with **Dawson International**; the latter added 5 to 99p. Interest was again shown in **Tricoville** following recent Press tips and the shares gained 4 to 36p.

Initially firm at 442p, **Guthrie** eased to record a net fall of 7 at 430p as profit-taking ensued following Monday's leap of 92 on the bid approach from **Sime Darby**; the latter closed unchanged at 109p. Elsewhere in Plantations, the trend was firm.

Teas were also firm, favourably influenced by the Guthrie/Sime Darby announcement, and as London follow-through demand increased **Romai** rallied 30 to 285p, while **Lawrie** added 10 to 350p.

Late rise in De Beers

Mining markets enjoyed a good day with activity much improved. **De Beers** attracted a good deal of interest both before and after the Central Selling Organisation 1978 diamond sales figure which showed a 23 per cent increase on the previous year; initially, the shares had eased to 392p but as news of the sharply higher sales figures reached the market the price advanced strongly, fuelled by American buying, to close 5 better on balance at 405p.

In contrast to their South African counterparts, London-registered Finance Houses moved ahead in the wake of the firmness of base-metal prices—notably copper—on the London Metal Exchange.

Rio Tinto-Zinc set the trend and advanced 6 to 233p, while **Charter** added 5 at 135p.

Coppers also reflected the buoyancy of the metal with **Messina** jumping 12 to 74p, **Palabora** rising 20 to 440p and **Roan Consolidated** 3 to 73p. **ZCI** closed 1½ better at 13p.

Cape interest lifted Platinums. Switching from **Rustenburg** to **Lydenburg** prompted a 5 gain in the latter to 73p although Rustenburg managed to harden 2 to 105p.

Australians were generally lower owing to a downturn in overnight domestic markets and disappointment with the latest Ashton diamond venture progress report.

Conzinc Riotinto, the consortium leader, fell 7 to 283p, **Ashton Mining** 4 to 73p and **Northern Mining** 4 to 68p.

Peko-Wallsend and **EZ Industries** held unchanged at 460p and 252p respectively following the Federal Government go-ahead for the Ranger uranium project.

In Tins, **Ayer Hitam** rose 5 to 360p on the sharply increased December tin output.

Golds remained in the doldrums in front of the quarterly results from the Gold Fields group.

OPTIONS

DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Jan. 9	Jan. 22	Apr. 5	Apr. 18
Jan. 23	Feb. 5	Apr. 19	May 1
Feb. 6	Feb. 19	May 3	May 15

For rate indications see end of Share Information Service

Stocks favoured for the call included Town and City, Milbury, Mining Supplies, Burmah, Ultramar, Lonrho, UDT, ICI, British Petroleum, Steinberg, Blackman and Conrad, FNFC, Consolidated Gold and Mills and Allen. A put was reported in Bath and Portland, while doubles were completed in UDT, Bath and Portland, Capital and Counties, Town and City, FNFC 9½ per cent 1992-97 and Burmah.

FINANCIAL TIMES STOCK INDICES

—	Jan. 9	Jan. 8	Jan. 5	Jan. 4	Jan. 3	Jan. 2	A year ago
Government Secs.	68.49	68.52	68.42	68.61	68.47	68.60	77.29
Fixed Interest	70.40	70.35	70.29	70.29	70.24	70.30	80.93
Industrial	482.2	484.4	479.5	481.9	479.9	473.0	484.5
Gold Mines	139.8	140.4	139.5	138.8	137.8	138.0	139.3
Gold Mines(Ex-$ pm)	98.1	97.5	97.9	97.5	97.0	96.6	113.2
Ord. Div. Yield	6.00	5.96	6.02	6.00	6.02	6.11	5.53
Earnings, Y'ld % (full)	15.78	15.65	15.80	15.75	15.79	16.03	16.82
P/E Ratio (net) (*)	8.25	8.30	8.22	8.25	8.23	8.11	8.43
Dealings marked	5,376	3,596	4,144	3,580	3,005	2,465	7,130
Equity turnover £m.	—	51.08	53.16	69.03	37.74	39.15	98.23
Equity bargains total	—	10,841	10,502	11,911	9,825	7,712	16,641

10 am 485.3. 11 am 482.2. Noon 484.0. 1 pm 484.2.
2 pm 483.4. 3 pm 483.3.
Latest Index 01-246 8026.
* Nil=8.00.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. Ex $ pm index started June, 1972. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1978/9 High	1978/9 Low	Since Compilat'n High	Since Compilat'n Low
Govt Secs.	78.58 (3/1/78)	67.92 (10/11/78)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	81.27 (9/1/78)	69.30 (13/11/78)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	535.5 (14/9/78)	433.4 (2/3/78)	549.2 (14/9/77)	49.4 (26/6/40)
Gold Mines	205.6 (14/8/78)	124.1 (29/11/78)	442.3 (22/5/75)	43.5 (26/10/71)
Gold Mines (Ex-$ pm)	132.3 (14/8/78)	90.3 (18/4/78)	337.1 (3/4/74)	54.3 (25/6/76)

S.E. ACTIVITY

	Jan. 9	Jan. 8
—Daily		
Gilt Edged	181.1	124.0
Industrials	183.1	116.8
Speculative	33.3	24.5
Totals	122.4	81.9
5-d'y Av'r'ge.		
Gilt Edged	132.7	113.4
Industrials	133.1	114.3
Speculative	28.9	26.0
Totals	89.7	76.4

NEW HIGHS AND LOWS FOR 1978/9

The following securities quoted by the Share Information service yesterday attained new Highs for 1978-79. There were no new Lows.

NEW HIGHS (59)

BRITISH FUNDS (1)
Trsy. Variable 1981

CANADIANS (1)
Place Gas

BANKS (2)
Corinthian — Cie. Bancaire

BEERS (2)
Highland Dist. — Morland

BUILDINGS (2)
B'nett & Hallamshire — Whittingham

STORES (7)
Casket (S.) — Stanley (A. G.)
Home Charm — Status Discount
MFI Furniture — Waring & Gillow
Samuel (H.) A

ELECTRICALS (7)
Automated Secs. — Sound Diffusion
Electronic Rentals — Unitech
Highland Elect. — Whitworth
Muirhead

ENGINEERING (3)
Astra Indl. — Mining Supplies
Birmingham Mint

FOODS (2)
Edwards (L. C.) — Morgan Edwards

INDUSTRIALS (9)
Arenson (A.) — Kershaw (A.)
Austin (F.) (Leyton) — Maddock
Brammer (H.) — Sunlight Services
Elect — Tove
Gieves

LEISURE (2)
Horizon — Samuelson

PROPERTY (12)
Allnatt London — Land Invest.
Bellway Hldgs. — Land Sc 6½pc Cn '85
Bilton (P.) — Do. 10pc Cnv. 1995
Brixton Estate — Mountview
Churchbury Estates — Stock Conversion
Hammerson A — Town Centre

SHIPPING (2)
Jacobs (J. I.) — Milford Docks

SHOES (1)
Hiltons

TEXTILES (1)
Haggas (J.)

TRUSTS (2)
Bridgewater Inv. — Provincial Cities

OVERSEAS TRADERS (1)
Borthwick (T.)

RUBBERS (2)
London Sumatra — Muar River

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	3	19	58
Corpns., Dom. and Foreign Bonds	16	4	45
Industrials	348	208	977
Financial and Prop.	212	37	284
Oils	7	9	22
Plantation	13	3	18
Mines	27	39	75
Recent Issues	5	1	26
Totals	631	320	1,481

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1978-79 high	1978-79 low
Barclays Bank	£1	15	380	−5	385	296
Shell Transport	25p	11	568	−6	602	484
BATs Defd.	25p	10	255	—	304	227
ICI	£1	10	366	−2	421	328
Guthrie Corp.	£1	9	430	−7	443	211
RTZ	25p	8	233	+6	263	164
BP	£1	7	916	−2	954	720
Burmah Oil	£1	7	91	−2	93	42
Beecham	25p	6	645	−5	726	581
Distillers	50p	6	204	—	215	163
GEC	25p	6	331	−1	349	233
P. & O. Defd.	£1	6	87½	+½	118	76½
Reed Intl.	£1	6	161	+2	183	103
Thorn Elect.	25p	6	366	+6	400	308
Tube Invs.	£1	6	376	−6	436	336

LONDON TRADED OPTIONS

Option	Ex'rc'se price	January Closing offer	January Vol.	April Closing offer	April Vol.	July Closing offer	July Vol.	Equity close
BP	1000	½	16	12	—	25	—	912p
Com Union	150	½	—	5	47	9	—	151p
Cons Gold	180	5	34	16	—	21	—	184p
Courtaulds	130	½	5	4	28	6½	—	120p
GEC	300	33	9	44	—	56	—	332p
GEC	330	6	21	23	10	35	—	"
GEC	360	½	—	10	—	21	15	"
Grand Met.	100	17½	10	20½	—	23	—	117p
Grand Met.	110	7	4	11½	5	14	—	"
Grand Met.	120	2	20	5½	5	9	—	"
ICI	330	38	10	44	—	—	—	366p
ICI	360	11½	27	22	—	35	—	"
Land Secs	240	14	3	24	3	30	—	253p
Land Secs	260	1½	—	12	15	19	—	"
Marks & Sp	70	16½	10	19	—	21	—	86p
Marks & Sp	80	7	5	11½	—	15½	—	"
Shell	550	23	6	45	—	62	—	570p
Totals			181		115		16	
		February		**May**		**August**		
Boots	180	21	11	29	—	32	—	196p
ImperialGp	80	2	—	3	—	5½	4	87p
RTZ	240	9	2	17	—	24	25	233p
Totals			13		—		29	

RECENT ISSUES

EQUITIES

Issue Price p:	Amount Paid Up	Latest Renunc. Date	1978/79 High	1978/79 Low	Stock	Closing Price p:	+ or −	Div. P. or Amount	Times Covered	Gross Yield	P.E. Ratio
A$0.50	F.P.	—	78	61	Ashton Mining 50c.	73	−4	—	—	—	—
A$125	F.P.	—	106	97	††Aust. Farming A$1.	97	......	—	—	—	—
155	F.P.	10/1	176	170	HarrisQueensw'y 20p	172	+2	t7.8	3.1	6.8	7.2
29	F.P.	5/1	31	29	Kitchen Queen 10p	29	......	b1.34	3.4	6.9	4.8
**	F.P.	9/2	34	31	M. Y. Dart Defd.	31	......	—	—	—	—
110	F.P.	17/1	135	115	Mill'ttsL's'reShps20p	132	+1	bd5.7	1.8	6.4	12.7

FIXED INTEREST STOCKS

Issue Price	Am'unt Paid up	Latest Renunc. Date	1978/79 High	1978/79 Low	Stock	Closing Price p:	+ or −
¶¶	F.P.	16/2	109p	108p	Assoc. Dairies 9¾% Pref.	109p	......
¶	F.P.	26/1	100	89¾	Colne Valley Water 8% Red Prf. 1985	101	......
‡100p	F.P.	28/12	100½p	99p	Findlay 8% Cnv. Cum. Red. Prf.	99p	......
‡100p	F.P.	5/1	106	102	Hawley-Goodall 12% Cnv. Uns. Ln. '86-88	105½	......
£1	F.P.	22/12	99p	97½p	Newman Inds. 10¼% Acc. Pref.	97p	......
¶	£10	1/3	13¼	13	Mid Kent Water 8% Pref. 1984	13¼	...
	Nil	11/1	½pm	¼pm	Rivington Reed 9½% Cnv.Cum.Red.Pref.	½pm	......
97½p	F.P.	5/1	99p	97½p	Seascope 10¼% Pref.	97½p	......

"RIGHTS" OFFERS

Issue Price p:	Am'unt Paid Up	Latest Renunc. Date ●	Latest Renunc. Date ■	1978/79 High	1978/79 Low	Stock	Closing price p:	+ or −
60	Nil	19/1	19/2	12pm	7pm	Associated Biscuit	9pm	......
17	F.P.	15/12	26/1	20¼	19½	Boulton (Wm.)	20	......
67	F.P.	29/12	5/1	77	69	Capper-Neill	71	......
305	F.P.	15/12	12/1	122	107	Clifford (Chas.)	120	......
45	F.P.	3/1	9/2	53	47	Foster (John)	51	......
180	F.P.	8/12	12/1	147	140	Hoskins & Horton	146	......
210	F.P.	5/1	9/2	248	242	Lep Group	248	+1
125	F.P.	15/12	12/1	161	150	M. L. Holdings	155	......
250	F.P.	3/1	9/2	320	298	Metal Box	316	+2
55	Nil	5/1	26/1	14pm	11pm	Milbury	14pm	+1
10	Nil	22/1	23/2	7½pm	4½pm	Suter Electrical Defd.	6½pm	......
62	F.P.	18/12	15/1	76	67	Tern Consulate	69	......
28	F.P.	10/1	9/2	36	34	York Fine Woollen	34½	−½

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. p† Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or take-over. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Tues., Jan. 9, 1979 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 33%)	Est. P/E Ratio (Net)	Mon., Jan. 8 Index No.	Fri., Jan. 5 Index No.	Thurs., Jan. 4 Index No.	Wed., Jan. 3 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (172)	237.07	+0.1	17.02	5.53	8.04	236.81	235.09	236.18	234.29	211.16
2	Building Materials (27)	209.39	+0.3	18.02	6.17	7.63	208.84	207.69	209.38	206.12	195.76
3	Contracting, Construction (28)	364.27	+0.6	21.27	4.92	6.75	362.16	363.22	364.87	361.89	342.86
4	Electricals (15)	555.53	—	13.86	3.42	9.88	555.75	547.72	550.02	546.22	455.56
5	Engineering Contractors (14)	364.29	+1.0	17.84	5.92	7.60	360.61	359.85	361.09	357.58	299.12
6	Mechanical Engineering (72)	184.74	—	18.27	6.07	7.30	184.79	183.84	184.74	183.82	164.83
8	Metals and Metal Forming (16)	164.38	−0.3	16.62	8.74	8.36	164.86	163.73	163.89	162.75	161.60
11	CONSUMER GOODS (DURABLE) (53)	211.69	+0.4	16.55	5.10	8.06	210.79	210.17	211.63	210.39	192.93
12	Lt. Electronics, Radio, TV (16)	268.31	+0.6	13.89	3.89	10.10	266.79	265.71	268.16	266.35	230.56
13	Household Goods (12)	166.72	+0.4	18.12	6.84	7.57	166.05	166.64	166.25	165.93	183.24
14	Motors and Distributors (25)	122.16	+0.2	20.98	6.90	5.99	121.94	121.65	122.25	121.62	117.66
21	CONSUMER GOODS (NON-DURABLE) (170)	211.81	+0.2	16.10	6.02	8.29	211.36	210.29	211.14	210.15	201.73
22	Breweries (14)	234.16	+0.1	15.67	6.42	8.29	233.96	233.35	234.63	232.38	227.86
23	Wines and Spirits (6)	290.16	+0.3	16.01	5.14	9.17	289.27	287.24	288.87	285.71	243.82
24	Entertainment, Catering (17)	275.99	−0.3	13.43	6.38	10.86	276.86	273.28	275.75	273.27	259.98
25	Food Manufacturing (19)	202.30	+0.5	18.80	5.58	7.06	201.32	201.08	202.69	202.53	198.69
26	Food Retailing (15)	234.22	+0.4	14.22	5.03	9.60	233.18	231.85	233.40	231.21	207.58
32	Newspapers, Publishing (12)	382.59	—	21.02	6.35	6.71	382.70	377.55	377.34	371.03	352.22
33	Packaging and Paper (15)	135.83	+0.5	18.73	7.75	6.96	135.09	133.19	133.28	133.28	133.17
34	Stores (40)	196.43	+0.3	12.06	4.84	11.93	195.80	195.50	195.46	195.38	191.75
35	Textiles (23)	182.09	−0.3	17.71	8.23	7.30	182.60	182.06	182.39	180.68	172.83
36	Tobaccos (3)	238.30	—	23.28	7.88	5.08	238.21	235.25	237.23	236.05	222.94
37	Toys and Games (6)	93.10	+0.3	23.83	6.98	4.95	92.80	92.51	92.10	91.65	100.70
41	OTHER GROUPS (99)	199.27	+0.1	15.60	6.25	8.26	198.98	197.91	198.31	196.61	192.86
42	Chemicals (19)	278.51	−0.4	15.99	6.79	8.17	279.57	277.86	278.59	278.28	255.72
43	Pharmaceutical Products (7)	249.00	−0.4	11.14	4.67	10.87	250.01	248.78	250.86	248.35	259.39
44	Office Equipment (6)	140.42	+2.3	17.30	5.50	6.89	137.27	135.69	135.02	131.01	129.05
45	Shipping (10)	420.21	+0.5	14.40	7.23	8.81	418.08	418.46	414.63	408.18	472.19
46	Miscellaneous (57)	215.44	+0.5	17.87	6.67	7.44	214.35	213.34	213.99	211.54	206.12
49	INDUSTRIAL GROUP (494)	221.87	+0.2	16.25	5.88	8.20	221.46	220.20	221.18	219.64	208.03
51	Oils (6)	510.97	−0.6	13.67	3.94	7.95	513.81	511.21	510.13	510.47	464.64
59	500 SHARE INDEX	245.93	+0.1	15.85	5.58	8.16	245.75	244.38	245.14	243.80	229.52
61	FINANCIAL GROUP (115)	173.71	—	—	5.60	—	173.76	172.69	172.33	170.95	174.86
62	Banks (6)	205.91	−0.8	22.88	5.72	6.55	207.66	205.11	203.77	202.17	198.62
63	Discount Houses (10)	218.26	—	—	8.11	—	218.26	218.30	218.06	218.62	220.41
64	Hire Purchase (5)	165.38	−2.0	14.73	5.16	8.96	168.70	168.78	167.79	165.83	165.90
65	Insurance (Life) (10)	139.21	+1.1	—	6.75	—	137.71	137.80	137.20	135.30	146.75
66	Insurance (Composite) (7)	124.84	+0.2	—	7.02	—	124.55	124.47	124.73	124.54	138.75
67	Insurance Brokers (10)	313.64	+0.4	15.25	5.39	9.36	312.52	311.86	311.85	310.08	330.49
68	Merchant Banks (14)	80.71	+1.0	—	6.07	—	79.93	79.96	79.78	78.26	84.20
69	Property (43)	278.04	+0.2	3.73	2.90	42.88	277.48	273.87	273.71	270.94	249.84
70	Miscellaneous (10)	114.29	−0.3	19.65	6.89	6.32	114.62	115.12	115.17	113.46	110.11
71	Investment Trusts (111)	207.93	+0.8	—	5.08	—	206.27	206.09	205.88	203.96	193.72
81	Mining Finance (4)	103.62	+2.0	18.14	6.87	6.79	101.54	102.17	102.99	102.66	92.43
91	Overseas Traders (20)	312.00	+1.3	15.66	7.52	8.02	308.05	298.89	298.69	296.94	281.53
99	ALL-SHARE INDEX (750)	226.10	+0.2	—	5.62	—	225.74	224.45	224.89	223.52	213.43

FIXED INTEREST PRICE INDICES

	British Government	Tues., Jan. 9	Day's change %	xd adj. today	xd adj. 1979 to date
1	Under 5 years	103.02	−0.13	0.08	0.08
2	5-15 years	110.89	—	—	0.00
3	Over 15 years	115.46	—	—	0.00
4	Irredeemables	122.25	—	—	0.00
5	All stocks	109.32	−0.05	0.05	0.05

	FIXED INTEREST YIELDS Br. Govt. Av. Gross Red.		Tues., Jan. 9	Mon., Jan. 8	Year ago (approx.)
1	Low Coupons	5 years	9.68	9.67	7.26
2		15 years	11.41	11.40	9.36
3		25 years	12.23	12.22	10.00
4	Medium Coupons	5 years	12.76	12.71	9.56
5		15 years	12.81	12.80	10.46
6		25 years	12.81	12.80	10.63
7	High Coupons	5 years	12.84	12.78	10.04
8		15 years	13.36	13.36	11.42
9		25 years	13.34	13.34	11.50
10	Irredeemables		12.82	12.81	10.83

		Tues., Jan. 9 Index No.	Tues., Jan. 9 Yield %	Mon. Jan. 8	Fri. Jan. 5	Thurs. Jan. 4	Wed. Jan. 3	Tues. Jan. 2	Fri. Dec. 29	Thurs. Dec. 28	Year ago (approx)
15	20-yr. Red. Deb & Loans (15)	54.80	‡13.53	54.80	54.79	54.77	54.91	54.91	54.81	54.81	63.43
16	Investment Trust Prefs. (15)	51.33	13.67	51.33	51.33	51.03	51.34	51.34	51.17	51.17	57.57
17	Coml. and Indl. Prefs. (20)	72.52	12.92	72.33	72.25	72.25	72.37	72.37	72.38	72.38	78.33

‡ Redemption yield. Highs and lows record, base dates and values and constituent changes are published in Saturday issues. A list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p, by post 22p.

هكذا من الأصل

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INSURANCE AND PROPERTY BONDS

OFFSHORE AND OVERSEAS FUNDS

World Wide Growth Management⊕

10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd	SUS15 53	+0.03	—

CORAL INDEX: Close 479-484

INSURANCE BASE RATES

†Property Growth	12%
†Vanbrugh Guaranteed	11%

†Address shown under Insurance and Property Bond Table.

NOTES

Prices do not include $ premium, except where indicated ♦, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ϕ. § Guernsey gross. # Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies.

FT SHARE INFORMATION SERVICE

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[illegible]

Five to Fifteen Years

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LOANS

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[illegible]

Financial

[illegible]

FOREIGN BONDS & RAILS

1978-79 High	Low	Stock	Price £	+ or —	Div. % Gross	Red. Yield
24	17	Antofagasta Rly...	23	......	—	—
41	33	Do. 5pc Pref......	39	......	—	—
98	98	Chilean Mixed......	98	......	—	13.10
22	6	Chinese 4½pc 1898	21	......	—	—
35	4½	Do. 5pc 1912	35	......	—	—
20½	4½	Do. 5pc 1925 Boxer	19½	......	—	—
415	350	German Yng. 4½pc.	415	......	4½	—

BONDS & RAILS—Cont.

[illegible]

AMERICANS

[illegible]

S.E. List Premium 42¾% (based on US$2.0237 per £)

Conversion factor 0.7015 (0.6947)

CANADIANS

[illegible]

S.E. List Premium 42¾% (based on $2.4068 per £)

BANKS AND HIRE PURCHASE

1978-79 High	Low	Stock	Price	+ or —	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]								
198	157	Gerrard Natnl...	198	......	g9.12	—	6.9	—
59	37	Gibbs (A.).........	50	......	2.23	—	6.7	—
255	195	Gillett Bros. £1.	225	......	15.41	—	10.2	—
29	19	Goode D't Mry.5p	20	......	0.13	—	0.9	—
142	96	Grindlays.........	129	+1	2.79	7.1	3.2	4.6
130	93	Guinness Peat ...	118	+1	h5.15	—	6.5	—
217	155	Hambros	193	+3	†9.76	—	7.5	—
100	81	Hill Samuel	86	+1	†4.97	—	8.6	—
600	125	Do. Warrants...	125	......	—	—	—	—
360	203	Hong Shng.$2.50	269	+2	h059c	—	2.6	—
69	52	Jessel Toynbee.	65	......	g3.65	—	8.4	—
215	150	Joseph (Leo) £1..	150	......	8.74	—	8.7	—

BANKS & HP—Continued

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

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CENTRAL AFRICAN

[illegible]

MINES—Continued

AUSTRALIAN

1978-79 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
15	9	Acmex 25c	13	......	—	—	—
140	64	Bougainville 50 Toea	138	–2	†Q8c	1.4	3.6
131	63	BH South 50c	109	......	—	—	—
820	150	Central Pacific	400	......	—	—	—
336	148	Conzinc Riotinto 50c	283	–7	‡Q10c	2.2	‡
32	19	Cultus Pacific N.L.	26	......	—	—	—
27	9½	Endeavour 20c	21½	+½	—	—	—
75	45	G.M. Kalgoorlie $1	63	......	—	—	—
68	18	Haoma Gold N.L.	36	–1	—	—	—
158	81	Hampton Areas 5p	148	......	♦3.55	2.0	3.6
40	10	Metals Ex. 50c	26	......	—	—	—
223	125	M.I.M. Hldgs. 50c	218	–2	Q9c	1.7	2.5
22	10	Minefields Expl.	15	......	—	—	—
46	10	Mount Lyell 25c	46	......	—	—	—
56	12	Newmetal 20c	42	......	—	—	—
143	79	North B. Hill 50c	114	–2	Q8c	1.3	4.3
16½	6½	Nth. Kalgurli	11	......	—	—	—
50	12	Nth. West Mining	27	–1	—	—	—
178	115	Oakbridge $A1	132	......	Q12c	1.9	10.0
42	10	††Otter N.L.	22	......	—	—	—
70	30	Pacific Copper	68	+4	—	—	—
£15½	725	Pancont'l 25c	780	......	—	—	—
40	12	Paringa M&Ex. 5p	18	......	—	—	—
570	310	Peko-Wallsend 50c	460	......	Q15c	♦	2.0
300	50	Southern Pacific	155	......	—	—	—
164	84	Westn. Mining 50c	152	–3	Q3c	0.7	1.2
100	35	Whim Creek 20c	65	+5	—	—	—

TINS

1978-79 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
30	23	Amal. Nigeria	24	......	2.61	1.3	17.4
420	240	Ayer Hitam $M1	360	+5	Q500c	0.5	17.9
60	45	Beralt Tin	54	......	4.0	♦	11.1
305	190	Berjuntai $M1	235	......	†Q110c	1.0	11.1
185	111	Geevor	150xd	......	H5.57	5.8	5.5
11	8½	Gold & Base 12½p	10	......	—	—	—
350	220	Gopeng Cons.	310	......	†15.36	0.9	7.3
320	130	Hongkong	312	......	12.5	♦	6.0
93	64	Idris 10p	64	......	‡12.0	1.6	‡
11	7	Jantar 12½p	9½	......	—	—	—
84	63	Kamunting $M0.50	72	+1	†Q12.5c	2.1	3.7
640	450	Killinghall	600xd	......	Q125.3c	♦	21.4
470	280	Malay Dredging $M1	385	–5	Q175c	0.7	9.8
78	40	ΔPahang	44	......	—	—	—
78	50	Pengkalen 10p	60	......	6.60	1.3	16.4
270	165	Petaling $M1	220	......	Q120c	♦	11.7
87	49	Saint Piran	77xd	......	†2.03	6.5	3.9
70	47	South Crofty 10p	57xd	......	†4.19	2.0	11.0
245	140	South Kinta $M0.50	180xd	......	†sQ145c	0.6	17.3
340	230	Sthn Malayan $M1	305	–5	Q190c	1.0	13.4
240	134	Sungei Besi $M1	215	......	mQ65c	5.3	6.5
85	55	Supreme Corp. $M1	70	......	Z010c	—	3.1
103	84	Tanjong 15p	100	......	6.60	0.8	9.8
100	74	Tongkah Hrbr. $M1	80xd	–5	Q35.82c	0.7	9.6
270	148	Tronoh $M1	215	......	‡Q88c	1.6	‡

COPPER

1978-79 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
104	54	Messina R0.50	74	+12	—	—	—

MISCELLANEOUS

1978-79 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
68	35	Barymin	56	+1	—	—	—
27	9	Burma Mines 17½p	13	......	—	—	—
300	165	Cons. Murch. 10c	210	+5	‡Q30c	2.6	‡
465	245	Northgate C$1	380	–5	—	—	—
263	164	R.T.Z.	235	+6	9.5	2.8	6.1
90	30	Sabina Inds. C$1	44	......	—	—	—
£12	687	Tara Explm. $1	781	+12	—	—	—
185	120	Yukon Cons. C$1	175	......	Q7c	2.9	1.9

GOLDS EX-$ PREMIUM

London quotations for selected South African gold mining shares in U.S. currency excluding the investment dollar premium. These prices are available only to non-UK residents.

High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
$15¼	$10¼	Buffels R1	$11xd	......	Q170c	1.8	17.9
$11¼	830c	East Drie R1	925cxd	......	†Q70c	1.7	9.7
585c	330c	East Rand Prp. R1	350cxd	......	—	—	—
$28⅜	$16½	F.S. Geduld 50c	$19⅜	–¼	Q315c	♦	18.8
$15⅛	975c	Pres. Brand 50c	$11⅞	......	Q150c	♦	14.7
$13⅛	900c	St. Helena R1	$10½	+¼	Q190c	♦	20.9
670c	313c	Stilfontein 50c	425cxd	......	†Q22c	2.3	6.0
$19¼	$16¼	Vaal Reefs 50c	$19⅛	–⅛	Q115c	3.3	6.9
$37	$25	West Drie R1	$30½xd	–⅛	Q385c	1.7	14.7
$31¼	$19	West Hldgs. 50c	$22⅞	–⅛	Q415c	♦	21.2
$12½	895c	Western Deep R2	$11⅛	......	Q82.5c	2.4	8.6

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 33 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- †† Unlisted security.
- ¤ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♣ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date. §§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

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REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	26	......
Ash Spinning	75	......
Bertam	14	......
Bdg'wtr. Est. 50p	325	......
Clover Croft	28	......
Craig & Rose £1	615	......
Dyson (R. A.) A	35	......
Ellis & McHdy.	69	......
Evered	24	......
Fife Forge	52	......
Finlay Pkg. 5p	21	......
Graig Ship. £1	140	......
Higsons Brew	70	......
Holt (Jos) 25p	252	......
I.O.M. Stm. £1	215	+1
N'thn. Goldsmith	79	+1
Pearce (C. H.)	198	......
Peel Mills	22½	......
Sheffield Brick	52	......
Sheff. Refrshmt	68	......
Sindall (Wm.)	120	......

IRISH

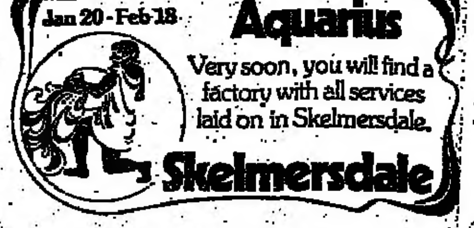
Conv. 9% '80/82	£90	......
Alliance Gas	100	......
Arnott	400	......
Carroll (P.J.)	95xd	......
Clondalkin	104	......
Concrete Prods.	143	......
Heiton (Hldgs.)	49	......
Ins. Corp.	165	......
Irish Ropes	182xd	+¼
Jacob	53	+3
T.M.G.	175	–5
Unidare	85	......

OPTIONS
3-month Call Rates

Industrials	
A. Brew	6½
A.P. Cement	18
B.S.R.	9
Babcock	11
Barclays Bank	25
Beecham	35
Boots	15
Bowaters	16
B.A.T.	24
British Oxygen	6
Brown (J.)	20
Burton 'A'	12
Cadburys	5
Courtaulds	10
Debenhams	8
Distillers	15
Dunlop	7
Eagle Star	11
E.M.I.	14
Gen. Accident	27
Gen. Electric	18
Glaxo	40
Grand Met.	9
G.U.S. 'A'	20
Guardian	18
G.K.N.	22
Hawker Sidd	20
House of Fraser	12
I.C.I.	20
"Imps"	6
I.C.L.	20
Inveresk	8
KCA	3
Ladbroke	17
Legal & Gen.	14
Lex Service	7
Lloyds Bank	22
"Lofs"	4
London Brick	5
Lonrho	5
Lucas Inds.	25
Lyons (J.)	10
"Mams"	7
Mrks. & Spncr	10
Midland Bank	25
N.E.I.	12
Nat. West. Bank	22
Do. Warrants	10
P & O Dfd.	8
Plessey	8
R.H.M.	5
Rank Org. 'A'	18
Reed Intnl.	12
Spillers	3
Tesco	4
Thorn	22
Trust Houses	15
Tube Invest.	30
Unilever	35
Utd. Drapery	7½
Vickers	15
Woolworths	5
Property	
Brit. Land	3¼
Cap. Counties	4½
E.P.	5
Intreuropean	4
Land Secs.	16
MEPC	12
Peachey	8
Samuel Props.	9
Town & City	1¼
Oils	
Brit. Petroleum	45
Burmah Oil	5
Charterhall	3
Shell	28
Ultramar	20
Mines	
Charter Cons.	12
Cons. Gold	14
Rio T. Zinc	16

A selection of Options traded is given on the London Stock Exchange Report page

FINANCIAL TIMES
Wednesday January 10 1979



NEW CRISIS FOR TEHRAN CIVILIAN GOVERNMENT

Minister withdraws

BY SIMON HENDERSON IN TEHRAN

IRAN'S civilian government faced a new crisis yesterday with the withdrawal of the minister expected to be the vital contact with the Shah and the powerful military establishment.

The government of Dr. Shahpour Bakhtiar, appointed by the Shah last Saturday, was also under attack by the main political opposition, the National Front. In Paris the Shah's main religious adversary, the Ayatollah Khomeini, said in an interview that there might be a military coup in Iran.

The Shah is believed to be ready to go abroad but only when a stable government has been established. It is a widely held view that the presence of the Shah remains an obstacle to forming such a government.

The session of Parliament called to approve the new government was postponed following news that General Fereidoun Jam had declined to take up his portfolio as Minister of War. The decision was stunning blow to Dr. Bakhtiar as the general was expected to be the contact man between the government on one side and the Shah and his military commanders on the other.

Meanwhile, the Shah announced he was appointing General Abdolali Badrei, a hardline royalist army officer, as commander of the imperial ground forces.

The National Front, the main political opposition group, to which Dr. Bakhtiar also belongs called a Press conference yesterday to denounce the new government as illegitimate.

Kevin Done, Energy Correspondent, adds: The Royal Dutch/Shell group has warned its crude oil customers worldwide that deliveries could be down by 5-7½ per cent over the whole of the winter period because of the disruption in the Iranian oilfields.

In the final three months of last year, supplies were cut by about 10 per cent, Shell said yesterday. Its oil supply programme for the six month period to the end of March is based on the assumption that there will be some improvement in Iranian oil output towards the end of the first three months of this year.

Iranian production at the end of December slumped to a level that could not even meet domestic demand and all oil exports were halted.

Shell has a 14 per cent interest in the consortium of Western oil companies responsible for producing the bulk of Iranian crude. Normally the consortium would be producing more than 5m barrels a day during the winter with exports in excess of 3m barrels a day.

Last week British Petroleum, which has a 40 per cent share in the consortium, warned customers that deliveries could be cut by 30-35 per cent during the first quarter of this year.

Hard times and hard bargaining in Iran Page 3

Chrysler to halt Iran car work

By Arthur Smith, Midlands Correspondent

CHRYSLER UK is to halt production of car components for Iran and lay off nearly 1,500 Midland workers for six weeks. Short-time working will be necessary for a further eight weeks at least.

Shop stewards were told yesterday that the cuts had been forced by problems at the Iran National car company, which assembles component kits supplied by the Stoke engine factory, Coventry.

To soften the impact, an additional 300 Stoke workers will be transferred to the nearby Ryton assembly plant, where output of the successful Alpine model will be increased.

The Iran contract, worth more than £100m a year, is one of the biggest ever won by the UK motor industry and was an important factor in influencing the Government's rescue of Chrysler UK in 1975. Its suspension is certain to affect other Midlands components suppliers.

The Iran National factory has been idle for four of the past six weeks because of component shortages. A customs strike has delayed two ships carrying about 18,000 kits from Chrysler UK — the equivalent of about two months' supply from the Stoke factory.

That delay alone will cut Chrysler exports to Iran for 1978 by about a fifth. It also creates a log jam which must be cleared by Iran National before production can be resumed at Stoke.

Lay-offs

Chrysler has maintained full employment so far in Coventry, but says that by January 26, when the lay-offs are due to become effective, stocks in the UK will be equivalent to a further month's supply.

The level of future employment at Stoke, where about 40 per cent of the workforce is engaged on the Iran contract, is clearly dependent on political developments in that country in the next few weeks.

Chrysler is assessing the situation daily, but on present forecast it has told trade unions that short-time working will be necessary until mid-May.

The lay-offs will affect 1,200 workers at Stoke, 140 in the packing section at Baginton, Coventry, and 123 in Chrysler component subsidiaries at Coventry and Birmingham.

The transfer of 300 workers to Ryton will take the total there to just over 2,000 and it is planned to increase Alpine output from about 825 a week to 1,000.

The Alpine, which won a 2 per cent share of the UK market last year, has been improved recently by offering a wider choice of engines and finish.

Continued from Page 1

Shipbuilding

for the Bank and Savill Line, has been delayed by almost two months as a result of the refusal of officials in Brussels to grant permission for the grant of almost £12m essential to bring the UK price down to that of its competitors overseas.

Bank and Savill called for delivery of the first of the ships by the end of January next year. The shipping line will meet British Shipbuilders on Thursday to discuss the position.

The company said that unless the ships are built at the agreed price—at a total loss of approaching £12m to British Shipbuilders—with the Government getting the go-ahead to use the shipbuilding intervention fund, the letters of intent for the ships will be cancelled.

The Commission has indicated that a third contract British Shipbuilders wished to subsidise was also unlikely to receive approval. The order is for one of two SD 14 general cargo ships ordered by the Royal Nepal Shipping Company in October at a total cost of £10m. The ships would trade through Indian ports.

Other contracts which may have been delayed as a result of the Commission's refusal to sanction use of the subsidy fund, include a £12m order for two SD 18 cargo vessels for a consortium of Greek owners. This order has not been confirmed by the Greeks.

Another contract which has not been finalised is a second order for ships from Poland, and officials in the Brussels Commission have made it clear that this would not receive the same sympathetic treatment that was given to the £115m Polish contract signed in November 1977.

Moves in Sweden to stop Volvo deal with Norway

BY WILLIAM DULLFORCE IN STOCKHOLM

THE BOARD of Sweden's Shareholders' Association advised Volvo shareholders yesterday to reject the sale of 40 per cent of the car and truck manufacturer to Norway.

By so doing it has laid the ground for a proxy battle with the Volvo board and almost certainly stirred up a political storm in Sweden over the power of shareholders.

After an all-day meeting into the early hours of the morning the shareholders chairman, Mr. Haakon Gergils, said the board was unanimous in advising against the SKr 950m (£109m) deal with Norway "in its present form."

The question of Volvo's capital requirements should be dealt with at a later general shareholders' meeting, after other alternatives had been examined it said.

An extraordinary general meeting is due on January 30 to decide on the Norwegian agreement, signed by Volvo's managing director, Mr. Pehr Gyllenhammar. A negative vote by 33.34 per cent of the voting rights would block the deal.

At the last Volvo general meeting the shareholders' association held 12,000 proxies representing 29 per cent of the voting rights and 33.7 per cent of the rights represented at the meeting. Some institutional shareholders have already expressed dissatisfaction with the sale to Norway.

Mr. Gergils said his association was sending proxy forms to all Volvo's 130,000 shareholders with a letter explaining the association's objections to the Norwegian agreement.

On Monday the Volvo Board announced that it too was circulating all shareholders asking for proxies in support of the agreement.

The Norwegian agreement was "a creative move," said Mr. Gergils. But in its present form it was not good either for the company or its shareholders. His Board considered the price too low. Volvo's truck and bus operations alone could be valued at around SKr 2bn. It was "giving away" the car and construction machinery operations.

In Oslo last night Mr. Odvar Nordli, the Norwegian Prime Minister, reiterated that his Government regarded the Volvo contract and the industrial agreement with Sweden, under which Sweden would get long-term oil supplies from Norway, as a package to be accepted or rejected as a whole.

Sale of Volvo shares to Norway is backed by the Swedish trade unions and the Social-Democratic Opposition. Their reaction to the shareholder recommendation has been fierce.

Money supply under control

BY DAVID FREUD

THE MONEY SUPPLY appears to have remained well under control last month, according to banking figures published yesterday.

The underlying level of bank lending increased modestly, in line with the previous month.

The banking sector as a whole fell further below the official corset limit for the expansion of its interest-bearing eligible liabilities—the level above which banks pay penalties to the Bank of England.

At the same time it was disclosed that supplies of the 1985 medium-dated tap stock issued last November were exhausted. There was speculation in the markets about the possibility of the issue of a replacement stock shortly.

The banking figures suggest that the sterling money stock on the wider definition (M3), used for official targets, increased by roughly ½ per cent in the month to mid-December. This includes cash and bank current and seven-day deposit accounts.

If this increase is confirmed in the money supply figures published next week, the annual rate of expansion in the first two months of the current period will be well below the lower end of the 8 to 12 per cent target range for growth. This range was rolled forward in October for the coming 12-month period.

The main pointer to the December money supply comes from the increase in the total eligible liabilities of the banking system.

These, the main deposit funds of the banks and an important constituent of the money stock, rose 0.8 per cent in the month to mid-December to £45bn.

The increase in the money supply will probably be closely aligned to this rise, as seasonal factors tending to reduce the money stock are likely to be offset by a larger than expected expansion in note circulation last month.

Sterling advances to the UK private sector by the London clearing banks fell by £101m. When seasonal factors are taken into account this represented a rise of about £200m, compared with an underlying estimated increase of £220m in the previous month.

The banking sector's interest-bearing eligible liabilities expanded by only 0.1 per cent, compared with the monthly 1 per cent allowed under the corset rules.

Banking tables Page 26

Air Canada resists airport move

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A MAJOR ROW between the UK Government and Air Canada seems likely over Britain's insistence on the Canadian airline moving all its scheduled passenger services from Heathrow Airport, London, to Gatwick by the early 1980s, to ease congestion.

Efforts to get Spanish and Portuguese airlines to move have resulted in angry exchanges between the UK and Spanish governments. At the same time, after negotiations lasting most of last year, Scandinavian Airlines System has agreed to operate some flights out of Gatwick under a new air services pact reached before Christmas.

The UK and Canadian governments, along with Air Canada, have been talking for over a year about the British desire to ease Heathrow's growing problems by moving out to Gatwick some "blocks" of air services.

Since Christmas, the UK Department of Trade has made it clear in renewed discussions in London that Britain was no longer considering whether Air Canada moved to Gatwick, but when and how.

The Canadians tend to believe that the UK is trying to trade off future improvements in Air Canada services to the UK against that airline moving to Gatwick. Britain, however, maintains that the two issues are separate.

The Canadian team has returned home for further considerations and the view in Whitehall is that the talks held so far have been constructive, and comparatively calm, although it is admitted that Air Canada is likely to remain hostile to any move.

But the Canadians feel much more strongly than the UK officials seem prepared to admit.

Last year, Air Canada said formally that it had no intention of quitting Heathrow in a period of increasing North Atlantic competition—and there has been no indication of any change in this attitude.

Continued from Page 1

Lorry drivers' strike

cism, accusing Ministers of complacent inaction.

Mr. Callaghan, clearly irritated by reports of the criticism, was in a marked ill temper at a Press conference in Barbados and refused to take any questions on UK domestic issues from British journalists accompanying him on his tour.

During talks at the Advisory Conciliation and Arbitration Service in London, both sides in the lorry drivers' dispute explained their position.

The employers reaffirmed that they could not move beyond their present regional offers of 15 per cent on earnings.

Mr. Moss Evans, TGWU general secretary, said it was "virtually certain" that the union's finance and general purposes committee would sanction an official national strike.

The drivers have submitted a claim for a new top basic rate of £65 for 40 hours in place of the present £53, an increase of 23 per cent.

They also seek a 35-hour week, partly as protection of earnings against future EEC legislation on drivers' hours.

The employers have offered a 13.2 per cent increase on the basic rate, lifting it to £60 for 40 hours, together with the existing five hours' guaranteed overtime which exists in most areas.

TV soccer deal declared void

By David Churchill, Consumer Affairs Correspondent

LONDON WEEKEND TELEVISION'S bid for exclusive coverage of Football League games next season has been blocked by the Office of Fair Trading.

The office said yesterday that the deal was void under the terms of the Restrictive Trade Practices Act, 1973, because it had not been registered with it in time.

London Weekend has the option of seeking a ruling from the Restrictive Practices Court on whether its agreement with the Football League should be registered or re-negotiating the agreement and providing the office with full details in time.

Last night, however, London Weekend appeared uncertain as to its next move. The BBC, which shares football coverage with independent television, also seemed unsure of the new legal position.

The agreement was formally placed on the register of restrictive practices by the Office of Fair Trading on Monday. All restrictive trade agreements, whether or not declared void, have to be placed on that register for eventual scrutiny by the Restrictive Practices Court.

If details of the agreement are given to the office within a certain time, the restrictive trade agreement may continue until the court rules otherwise.

Under the 1973 Act, restrictive agreements must be notified either within three months of being signed or before the day when they take effect, whichever is sooner.

In this case, the office has decided that the restrictions came into force at the time that the agreement was signed. Thus, to comply with the law, the office should have been given the details before the £5m deal was signed.

London Weekend is unlikely to win an appeal to the Restrictive Practices Court.

However, if London Weekend seeks to renegotiate the agreement with the Football League, it might meet a counter-bid from the BBC, which had faced losing its successful Saturday night programme, Match of the Day. The BBC is also taking legal action against the deal.

Weather

UK TODAY

COLD everywhere with frost early and late. Sleet or snow in the south. Showers in the north.

London, S.E. England, Central S. England

Outbreaks of sleet or snow at first. Sunny spells and isolated showers developing. Max. 4C (39F).

E. Anglia, S. Midlands, E. Coast, W. Midlands, Channel Isles, W. Country, N. Midlands

Outbreaks of sleet or snow at first. Scattered wintry showers and sunny intervals later. Max. 5C (41F).

S. Wales, N. Wales, N.W. England, Lakes, Isle of Man

Wintry showers. Sunny intervals. Max. 6C (43F).

N.E. England, Most of Scotland, Scottish Islands

Outbreaks of sleet or snow at first. Brighter later with scattered wintry showers. Max. 3C (37F).

Argyll, Cent. Scotland, W. Islands, Highlands, Ulster

Heavy showers. Rather cold. Max. 4C (39F).

Outlook: Bright or sunny intervals. More snow in the west. Night frost.

BUSINESS CENTRES

		Y'day midday °C	°F			Y'day midday °C	°F
Amsdm.	C	3	37	Madrid	Fg	5	41
Athens	S	11	52	Mnchtr.	C	4	39
Bahrain	S	21	71	Melbn.	S	27	81
B'rc'l'na	F	13	55	Milan	S	0	32
Belfast	C	0	32	Montreal	S	—7	19
Belgrd.	F	2	28	Munich	C	3	37
Berlin	Sn	0	32	Newcsl.	S	3	37
B'ham	S	3	37	N. York	S	—4	25
Bristol	S	5	41	Oslo	S	7	19
Brussels	R	1	34	Paris	C	1	34
Cairo	C	12	54	Perth	S	24	75
Cardiff	S	3	37	Prague	C	—3	27
Chicago	S	—5	23	Reykj'k	C	—6	21
Cologne	Sl	1	34	Rio J'o	C	25	77
Cpnhgn.	Sn	0	32	Rome	R	10	50
Dublin	S	2	36	Singapr.	S	31	87
Edinb'gh	F	1	34	Stckhm.	S	1	34
Frankft.	R	—2	28	Strasb'g	C	3	37
Geneva	R	2	36	Sydney	S	32	90
Glasgow	S	3	37	Tehran	S	0	32
Helsinki	C	0	32	Tokyo	S	15	60
H. Kong	S	20	69	Toronto	C	—13	9
Jo'burg	S	25	77	Vienna	C	—5	23
London	S	6	43	Zurich	C	1	34
Luxbg.	Sn	0	32				

HOLIDAY RESORTS

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	13	55	Jersey	C	6	43
Algiers	F	17	63	L. Plms.	C	19	66
Biarritz	R	10	50	Locarno	Sn	1	34
Blackp'l	F	5	41	Majorca	F	14	57
Bord'x	R	8	46	Malaga	S	16	61
B'logne	F	4	39	Malta	C	16	61
Csblnca.	F	17	63	Nairobi	C	23	74
C. Town	S	26	79	Naples	R	9	48
Corfu	F	11	52	Nice	R	7	45
Dbrvnk.	F	10	50	Oporto	C	11	52
Faro	F	16	61	Rhodes	S	15	59
Florence	R	6	43	Salzb'g	C	3	37
Funchal	F	16	61	Tangier	F	17	63
Gibrltr.	S	17	63	Tenerife	C	19	66
Gurnsy.	C	5	41	Tunis	F	16	61
Insbrck.	C	2	36	Valencia	F	15	59
Invrnss.	C	1	34	Venice	R	1	34
Istanbul	S	5	41				

C—Cloudy. F—Fair. Fg—Fog. R—Rain. Sn—Snow. Sl—Sleet.

THE LEX COLUMN

The banks inside an ageing corset

The December banking figures were much in line with expectations with the 0.8 per cent rise in eligible liabilities being taken as a proxy for the growth in the full money supply. The interest bearing element was only fractionally up but the non-interest bearing part rose by one per cent which is surprising given that the current high interest rate regime would be expected to reduce the relative attractiveness of sight deposits. However, there seems to have been an unexpectedly large surge in notes and coin in the run-up to Christmas.

This is normally a seasonally weak period for bank lending and the clearing banks' sterling advances did fall. However, after seasonal adjustment the underlying rate of increase in lending will probably be seen to be much in line with recent experience — say £400m per month. So far the banks seem to have had surprisingly little difficulty in adjusting to the corset — a fact which is being regarded with some suspicion in certain quarters.

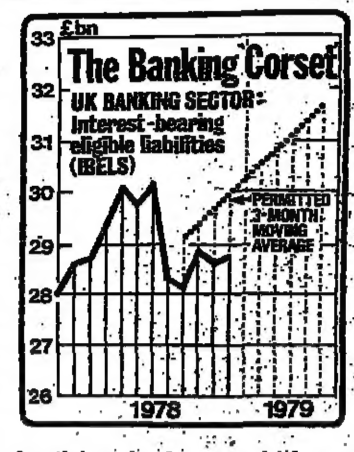
Admittedly, there has been a surge in the use of acceptance credits which are an alternative to bank lending—an estimated £600m may have been siphoned off in the May-October period. In addition, there is no knowing whether some banks are fiddling their books to get past the monthly make-up day. However, the authorities seem to be satisfied that the corset is curbing the growth in bank lending without starving industry of funds.

Of course the clearing banks still have to cope with the corset as the tax gathering season approaches and corporate liquidity deteriorates. Initially, the authorities have ways of easing the strain—by releasing special deposits, for example—but the fact is that the longer the corset remains the greater are the distortions being built up in the financial system. Fortunately the corset is not envisaged as a permanent measure.

Petrochemicals

The announcement by ICI last month that it was looking to raise petrochemical prices by between 20 and 50 per cent to make up for the sharp increase in the cost of naphtha, its principal raw material, is typical of what the whole petrochemical industry is doing or is about to do worldwide. Naphtha briefly touched $190 a tonne in the spot market at the end of last year but has now stabilised at $175, 45 per cent above its price a year ago—enough to cost the European petrochemical industry an extra £1bn a year. Even

Index fell 2.2 to 482.2



for the major buyers which can negotiate a contract price below these levels the squeeze on margins is unbearable.

Unless demand for heavy fuel oil were to rise and allow an increase in refinery throughput, the price of naphtha would be unlikely to fall. At the moment light crude, from which both naphtha and gasoline are most economically derived, is scarce because of Saudi production policies and high demand for gasoline; there are uncomfortable signs that the Eastern bloc is becoming a net importer of naphtha. Any deterioration in Iran would make matters worse.

The petrochemical companies are holding their breath and waiting to see whether an industry with chronic surplus capacity can get away with this sort of price rise. Last year a general increase in European plastic prices did not hold—in DM terms polyethylene, for example, was cheaper at the end of 1978 than at the beginning. Shell Chemicals UK, announcing a heavy third quarter 1978 loss, expressed fears that resistance by the ultimate customer might prevent higher prices from holding.

Some European producers are afraid that a recession in the U.S. might provoke a high volume of competitively-priced U.S. imports to Europe, particularly as U.S. producers have wider access to natural gas, rather than naphtha, as a feedstock for olefin production.

The optimists point out that there has been a fair volume of petrochemical buying in before price increases take effect, which suggests that the immediate customer, anyway, expects the new prices to hold. BP, typically, has just brought in across-the-board rises and has warned its customers to expect more.

For the upstream petrochemical majors, the price round is necessary to restore profit margins and allow them to enter 1980 in reasonable shape. Further down the line the European fibre producers must be wondering how often it is possible to survive battles of life and death.

Haslemere

Haslemere Estates is making a £12.1m rights issue—and is one of the few property companies that can justify such a move. Since their shares almost invariably stand at a big discount to net asset values, it would usually make more sense for the property sector to raise finance by selling off assets than by asking for more equity.

But Haslemere is a special case, and not just because of its superior management and dividend record. Fully diluted net assets amount to 302p per share on the basis of a valuation last March, a figure which will drop to just under 290p after the issue. But if the group were to sell off properties at book values to raise cash, its capital gains tax liabilities would dilute shareholders' interests by a much wider margin.

Of course there is an element of opportunism about the issue. The shares stand close to a five-year high point at 260p, and look pretty fully valued even allowing for a rise of perhaps a tenth in net assets since last March. The group has no pressing need for funds since its gearing is as low as at any time in the last decade and the issue will practically wipe out its short-term debt. Neither does it have any plans to increase its rate of investment dramatically.

But Haslemere can count on its strong institutional following to see the issue through. And no-one who subscribed to the last rights—£9.4m of convertible in 1975—has much cause for complaint, since the stock now stands nearly 50 per cent above the issue price.

Merger fillip

Bids have been the main source of stimulus for the equity market so far this year and the current fashion for cash bids must be having quite an impact on market liquidity. During 1978 British companies gave out substantially more cash for shares than the £500m they raised through share isues. There is now a total of £400m of cash bids outstanding or in prospect. This exceeds what the UK pension funds invest in shares in an average quarter.

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